EXHIBIT 6

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA v. TONAWANDA COKE CORPORATION	**NO.** : 1:10CR00219-001

Expert Report

by

Stephen J. Scherf, CPA

September 13, 2013

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UNITED STATES OF AMERICA V. TONAWANDA COKE CORPORATION

I have been engaged by counsel for Tonawanda Coke Corporation ("TCC" or the "Company") in connection with an action brought by the United States of America ("United States" or "Government"). TCC has been convicted on various counts. As a result of the conviction, TCC is subject to a maximum fine in excess of $300 million. In addition, the United States is currently demanding certain changes to the operations of TCC and is seeking a civil penalty of $4 million. You have requested our assistance in analyzing the historical and prospective financial condition of TCC in order to determine TCC's ability to pay a criminal fine and to pay the other amounts the government is seeking.

This report sets out the results of my analysis and is structured as follows:

1. Executive Summary
2. Background
3. Basis for Analysis
4. Analysis
5. Conclusion

1. EXECUTIVE SUMMARY

TCC is a New York corporation located on the Niagara River in Tonawanda, New York. The plant is situated on more than 100 acres and has one coke oven battery with a total of 60 ovens. The plant must operate 365 days a year, 24 hours a day and maximum practical production capacity for foundry coke, the Company's primary product, is 202,000 tons per year. Due to current economic conditions, we understand that TCC has been operating at 56 percent capacity for the past four years. The Company currently has 105 full and part-time employees and 15 contract employees.

TCC is subject to a maximum fine in excess of $300 million. In addition, the United States is currently demanding certain changes to the operations of TCC and is seeking a civil penalty of $4 million. We have been requested to assist in determining TCC's ability to pay a criminal fine and other amounts the government is seeking. In order to do so, we have analyzed the economic and industry conditions in which TCC operates, as well as TCC's historical financial results of operations, and its current and projected financial condition. A summary of our findings is as follows:

- The Company's ability to maintain profitable operating margins, and therefore generate cash flow, is dependent on its cost to produce, and the quantity and price at which it can sell its product.
- The primary determinant of sales variations is the market price of coke. Since coke is a commodity, its price fluctuates based on global market conditions. Recently, a combination of weak demand and an increased availability of low-cost Chinese export supply has served to reduce the market price for coke. Forecasts suggest this trend will continue in the near-term.
- The Company sold approximately 80,000 tons of foundry coke in the year ended June 30, 2013, a decrease of 11.1 percent compared to the previous year. This

decrease in volume combined with the reduced price of coke has resulted in a decrease in revenues of 19.4 percent year over year.

- The primary raw material required for the production of coke is metallurgical coal. Prices for this commodity also fluctuate with market conditions, and although prices have fallen recently, the future supply and demand balance suggests that the current price will be the low point in the medium term.
- The Company's gross profit and cash flow are largely dependent on the pricing spread between the cost of coking coal and the market price of coke. The spread has diminished dramatically since 2010 and 2011, resulting in a decline in gross profit from 31.7 percent in 2009 to 13.6 percent in 2013.
- The decline in historical Cash Flow from $4,439,148 in 2011 to $2,507,308 in 2013 is consistent with declining gross profits due to factors in the marketplace.
- The Company's forecast for declining revenues and Cash Flow to an average of $1,000,000 per year in the years ended June 30, 2014 and 2015 is consistent with the trend in Cash Flow from a historical perspective and with economic and industry factors affecting the Company.
- It is unlikely that TCC will be able to borrow against its assets currently, and unclear given uncertainty and regulatory concerns, whether a lender would lend against its assets in order to pay a criminal penalty once sentencing is completed.
- Given the nature of TCC's operations and the contingent liabilities encumbering its assets, any transaction involving the sale of TCC would be for substantially less than the maximum criminal penalty that could be assessed.
- Assessing a criminal penalty that can be paid out of available cash flow will enable the Company to continue its operations and employment of in excess of 100 people in Tonawanda, NY.
- Based upon our analysis of the trends in historical Cash Flow and the impact of economic and industry factors on projected Cash Flow, TCC's ability to pay a criminal penalty is approximately $1,000,000 per year.

2. BACKGROUND

In 1917 the first coke battery at Tonawanda Coke Corporation's site was placed into service. The facility played a significant role in the development and growth of the Tonawanda Kenmore area. Initially the facility provided gas for lighting and heating as well as material to Wickwire – Spencer Steel Company and Tonawanda Iron. Later it was instrumental in the success of General Motors' Tonawanda Engine Plant.

TCC, a New York corporation, was founded in January 1978 by acquiring the assets of the Allied Chemical Corporation's facility adjacent to the Niagara River in Tonawanda, New York, through an asset purchase agreement. The purchase of the facility for $2 million occurred after a large tar storage tank collapsed triggering a fire that almost destroyed the plant. TCC resumed operations at the facility in mid-February 1978.

TCC's plant is situated on more than 100 acres. The facility has one coke oven battery with a total of 60 ovens. Each oven has a capacity of 18.6 tons of coal and must be kept hot in order to avoid deterioration. As a result, the plant must operate 365 days a year, 24 hours a day. The maximum practical production capacity of the plant for foundry coke is 202,000 tons per year. Due to current economic conditions, we understand that TCC has been operating at 56 percent capacity for the past four years.

TCC's manufacturing process is a joint production process. The nature of the process requires the Company to integrate multiple diverse segments including logistics, material handling, manufacturing, chemical processing and power generation, each of which play an integral role in the success of the Company.

Operational departments include:

- Environmental – Lab;
- Coal Handling;
- Oven Battery;
- Coke Handling;
- By-Products, and;
- Boiler House-Power.

These departments are further supported by the Maintenance, Purchasing, Traffic, Sales, Quality Control, Human Resource, and Accounting departments.

TCC offers four products: foundry coke, an almost pure carbon product that is used in foundry cupolas to provide both a heat source and a direct carbon addition in the production of cast iron metal, #4 coke, industrial coke, and by-products. Foundry coke is coke that is greater than 4" in size and is typically offered as a 6"x9", a 4"x9", or a 4"x6" product. Due to the nature of the joint production process, foundry coke is TCC's principal product and the other products are produced in relatively small quantities.

TCC services the foundry coke needs of the northeastern region of North America. This includes servicing all of Canada's needs, as Canada has no foundry coke production. The Company serves customers in a variety of industries including automotive, heavy equipment, trucks, tractors, pipe manufacturing, construction products, municipal castings, and rockwool insulation, as well as the United States sugar production.

We understand that the number of foundry coke producers located in the U.S. have declined over time from approximately eighteen producers in the 1980s to only four

merchant foundry coke producers today. They are ABC Coke and Walter Coke in Alabama, Erie Coke[1] in Pennsylvania and TCC.

TCC has approximately 105 full and part-time employees, plus an additional 15 contract employees. At full production, the number rises to in excess of 140 employees and 20 contract employees. The plant production workers are represented by United Steelworkers Local Number 4447-5.

Counsel has advised that although TCC can be assessed a criminal penalty in excess of $300 million, there are no mandatory minimums, and a criminal penalty requires an amount sufficient to deter future wrongdoing, but not greater than just punishment. The amount must also consider restitution and rehabilitation of the company. In other words, TCC's ability to pay a criminal penalty must be factored into the analysis.

3. BASIS FOR ANALYSIS

The analysis and opinions in this report are based upon the documentation available to date, my independent research, my education, and my experience in performing similar financial analyses. I have been qualified and have presented testimony on numerous occasions, including the presentation of financial analysis in courts throughout the United States. I am a Certified Public Accountant and have a Master of Science with a concentration in Finance and Advanced Professional Certificate in Taxation. In addition, I am a Certified Fraud Examiner, Certified Forensic Accountant, Certified Insolvency and Restructuring Advisor and Certified in Distressed Business Valuation. The American Institute of Certified Public Accountants ("AICPA") accredits me in business valuation and I am a Certified Valuation Analyst. I have instructed business valuation courses for both the AICPA and the National Association of Certified Valuators and Analysts ("NACVA").

[1] A separate and distinct entity indirectly affiliated by ultimate common ownership.

Attached, as ***Appendix A***, is my current curriculum vitae and information concerning my publications, speaking engagements, and testimony history.

I, and others under my direct supervision, have performed the analysis contained in this report with the information available to date. Accordingly, we reserve the right to amend this analysis and report should additional or updated information become available. Our analysis was based primarily on the documentation and information listed in ***Appendix B***. In addition, I interviewed various members of management concerning the operations of TCC and toured the facility. The documents and information utilized are the types of documents and information experts in my field typically rely upon in performing such an analysis. When I testify, I may illustrate my testimony with demonstrative aids such as graphs, charts and/or slides.

Our firm is being compensated at rates of $125 to $450 per hour. My current hourly rate is $435 per hour.

This report has been prepared in connection with the above-referenced matter and should not be used for any other purpose without my express written consent.

4. ANALYSIS

As noted previously, counsel has requested that we determine TCC's ability to pay a criminal penalty. In order to access TCC's ability to pay, we first analyzed the economic and industry conditions in which TCC operates. This analysis provides an underlying basis on which to evaluate TCC's historical financial results of operations, and its current and projected financial condition. These analyses provide the underlying basis for our opinion of TCC's ability to pay. As a result we have organized our analysis in the following sections.

- Economic and Industry Analysis
- TCC's Financial Condition
- TCC's Historical Results from Operations and Cash Flow
- Projected Financial Condition, Results from Operations and Cash Flow
- Financing and Sale Alternatives
- Other Factors

4.1. ECONOMIC AND INDUSTRY ANALYSIS

TCC produces foundry coke domestically, and supplies the northeastern part of the United States and Canada. The Company's ability to maintain profitable operating margins, and therefore generate cash flow, is dependent on its cost to produce, and the quantity and price at which it can sell its product. Since TCC's products are industrial commodities, the foregoing three factors are dependent upon a multitude of additional factors including but not limited to the following: global and national economic conditions, international trade relations, policy decisions and environmental guidelines, the steel and automotive industries, raw materials costs and transportation costs. Furthermore, although the foundry coke market is a part of all industrialized economies, the industry is not generally monitored and analyzed separately. Therefore the factors listed above impacting commodities, and/or industries which mirror the foundry coke market, were analyzed to refine an analysis of the foundry coke market.

As will be set out in the following sections, market conditions have become less favorable for producers of coke as a combination of weaker global demand and an increased availability of low-cost Chinese export supply has served to reduce the market price for coke. The decrease in sales price may be partially mitigated in the near-term by leveraging the reduced cost of coking coal, but forecasts suggest that the price of coking coal will increase in the medium term. As a result, coke producers can be expected to experience increased competition, decreased margins, and ultimately, decreased cash flow.

4.1.1. Global Economic Conditions[2]

The global economy appears to be transitioning to a period of slower, but more stable growth. Gross domestic product ("GDP") slowed in mid 2012, but is recovering with 2013 projected GDP growth of 2.2 percent followed by 3.0 and 3.3 percent in 2014 and 2015, respectively. High-income countries, particularly in Europe, continue to face challenges in restoring sustainable fiscal policies and shoring up the banking sector. The likelihood of these challenges leading to a major crisis has diminished however. The recovery in the U.S. can be seen in the fairly robust private sector, but is being held back by the prospect of fiscal tightening. Developing countries are expected to see an increase in GDP growth to 5.1 percent this year and 5.6 to 5.7 percent in 2014 and 2015 thanks to less volatile external conditions and recovery of capital flow levels.

Global trade recovered in the first quarter after several months of contraction with total volume of exports and imports rising at a 5.0 percent annualized pace in the first quarter of 2013. The upturn was driven by developing country imports, registering approximately 18.0 percent in the first quarter, but import demand decreased to an annualized rate of 10.8 percent in April, signaling an easing in the pace of global trade. China's economic growth appears to be losing momentum also, as export growth slowed from 12.7 percent year-over-year in April to one percent in May. Trade volumes will remain below their pre-crisis trend in the near term.

Growth in the global industrial sector in the post 2008-2009 period has been unimpressive, with the exception of East Asia and Pacific, and China in particular. Overall, more than four years after the financial crisis began, industrial output is only 5.3 percent higher than it was pre-crisis. Forward-looking indicators suggest a slower pace

[2] Global Economic Prospects Volume 7, June 2013 published by The World Bank. For a more in depth discussion, see ***Appendix C***.

of global activity for the second quarter of the year, as fiscal tightening in the U.S. and capacity constraints in many developing economies will moderate growth.

Over the past year, energy and metals prices have been decreasing in response to supply and demand-side substitution brought about by previously high prices. Markets including the U.S. and Africa, increased their own production of natural gas and oil and capital expenditures by major firms in oil and metals markets quintupled since 2000, with most of the additional metal supply going to meet demand from China. The substantial increase in supply has caused downward pressure on metals prices in recent years, with current prices 30 percent below their peak in February 2011. The World Bank projects that prices will continue to ease in the medium term, with oil prices anticipated to slowly decline between now and 2025 and metals prices expected to decline by 3.7 and 1.4 percent in 2013 and 2014, respectively, reflecting increased supply and a gradual reduction in the metals intensity of developing country growth.

Overall, data so far this year point to a global economy that is getting back on its feet, but the recovery remains hesitant and uneven. Forward-looking indicators have strengthened over the past six months, only to weaken again recently. As post-crisis risks to the high-income world have declined, a new set of uncertainties emerge including the potential impact of downward pressure on commodity prices.

4.1.2. National Economic Conditions[3]

After a nearly flat growth rate of 0.4 percent during the fourth quarter of 2012, U.S. economic growth picked up speed during the first quarter of 2013, but not by as much as expected. Growth in the first quarter was just 1.8 percent, well below economists' originally forecast rate of 3.0 percent, held back by moderate consumer spending, weak business investment, and declining exports.

[3] KeyValue Data National Economic Report, June 2013. For a more in depth discussion, see ***Appendix D***.

The U.S. Labor Department reported on July 5 that the number of people who held jobs in June rose for the tenth straight month, with 195,000 new positions having been added. The Department also raised job-growth estimates for the previous two months. Many of the increases, however, were concentrated in lower-paying professions. For instance, the majority of June's gains—75,000—came in the hospitality industry of bartenders and waiters, while higher-paying manufacturing jobs posted a decline of 6,000 for the month. At the same time, after having fallen from 7.9 percent in January to 7.5 percent in April, the U.S. unemployment rate ticked back up to 7.6 percent in May, where it remained in June.

The Treasury Department announced on September 4, 2012 that total public outstanding debt in the United States had climbed to $16.02 trillion, and on October 1, that the Federal deficit for fiscal 2012 had reached $1.276 trillion. However, the U.S. Congressional Budget Office projected on February 5 that the deficit for Fiscal Year 2013 actually would drop to $845 billion—the first time during the Obama presidency that the annual red ink would fall below $1 trillion.

After contracting by a revised 0.4 percent in April, U.S. industrial production edged up by 0.1 percent in May for the first increase in three months. After unexpectedly contracting in May following five straight months of gains, the U.S. manufacturing sector rebounded slightly in June, with the Institute for Supply Management index increasing from 49.0 to 50.9. U.S. nonfarm productivity increased by 0.7 percent during the first quarter of 2013 after a sharp drop in the waning months of 2012.

U.S. auto and truck sales rose in June to their highest level since the recession. Continuing demand for big pickups helped to boost sales for Detroit's automakers. Ford's sales climbed by 14 percent on the month, while Chrysler's jumped by 8 percent and General Motors' rose by 6.5 percent. Japanese automakers reported solid gains as well, with Nissan's sales climbing by 13 percent and Toyota's by 10 percent.

After jumping by 1.5 percent in March and by 2.3 percent in April, U.S. sales of new homes in May rose by 2.1 percent over April's level, climbing to a seasonally adjusted annual rate of 476,000. Likewise, after climbing in April to their highest level in more than three years, U.S. sales of existing homes rose again in May, jumping by 4.2 percent to a seasonally adjusted annual rate of 5.18 million units.

According to the Conference Board's Consumer Confidence Index, U.S. consumer confidence improved in June to its highest level in five years. After falling in April for the first time in nearly a year, U.S. consumer spending rebounded in May. Consumer spending represents about two-thirds of U.S. economic activity. On a seasonally adjusted basis, the U.S. Consumer Price Index (CPI) for all items increased by 0.1 percent in May after falling by 0.4 percent in April.

4.1.3. The Coke Industry[4]

As noted previously, only four suppliers of foundry coke exist in the U.S., but many suppliers of blast furnace coke, including many steel manufacturers who have invested in the process for vertical integration, as well as foreign suppliers exist. Although U.S. import tariffs still exist, the removal of the 40 percent export tax on Chinese coke in January 2013 was a significant event with respect to the global coke market in that it opened the door for additional supply in an already over-saturated market and placed additional downward pressure on prices.

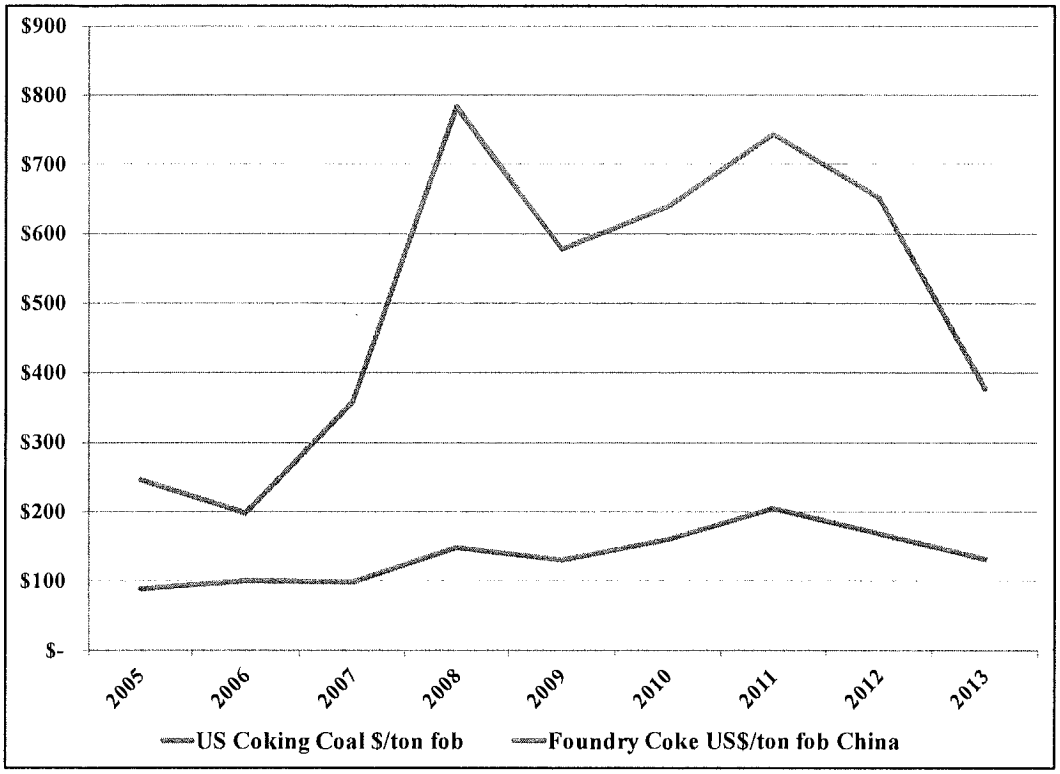
Since lows during the financial crisis, coke prices have fluctuated significantly, as a strong recovery was followed by a continuous decline between mid-2011 and the end of 2012. Prices had increased in response to elevated demand due to record-high global hot

[4] Coke Market Reports published by Resource-Net, available by subscription and provided by the Company, as well as various publicly available news articles and websites. For a more in depth discussion, see ***Appendix E***.

metal production. More recently, excess capacity in the steel industry, among other factors has caused demand to deteriorate. Although world economic sentiment has been improving, the decline in commodity market prices has yet to be reversed, and market indicators continued to track downward in July. Export prices for Chinese blast furnace coke decreased to $230-$240/ton fob in July. In the first half of the year, Chinese coke exports totaled 1.51 million tons, compared to 1.0 million tons for all of 2012. According to the CRU Metallurgical Coke Market Outlook, "A lethal combination of frail import demand, solid availability of low-cost Chinese export supply and a lowered production cost forecast points towards continued downside pressure for metallurgical coke prices until mid-2014."

Coking coal, the primary raw material required for the production of coke, has become difficult to extract and thus, more expensive to mine. Currently, rising supply of coking coal from Mongolia, South Africa and Australia, combined with the slowing Chinese economy and weaker demand for steel is putting downward pressure on prices. The future supply and demand balance for coking coal suggests that the current price will be the low point in the medium term, however. ***Chart 1*** sets out a comparison of U.S. coking coal and foundry coke prices over the period 2005 to present.

Chart 1: U.S. Coking Coal and Foundry Coke Average Prices: 2005 - 2013[5]



4.1.4. The Steel Industry[6]

Despite a slight increase in demand for steel and the retirement of some older steelmaking operations in 2012, capacity utilization in the steel sector remains below 80 percent. The global percentage of excess capacity[7] is still greater than it was a year ago due to new steelmaking facilities continuing to be brought online, especially in developing countries. Growth in global demand for steel is unlikely to improve significantly in 2013, and sluggish demand combined with volatility in the cost of raw materials will challenge steelmakers to remain competitive and profitable in the near

[5] Monthly Coke Market Reports published by Resource-Net, provided by the Company.
[6] Global Steel 2013 – A new world, a new strategy published by Ernst & Young, as well as various publicly available news articles and websites. For a more in depth discussion, see ***Appendix F***.
[7] Lower capacity utilization is generally equated with higher excess capacity.

term. Continued closure of older, higher-cost steelmaking capacity in 2014 and 2015, combined with increased demand growth, should lead to improved profitability in the industry, but forecasts suggest that utilization will not exceed 80 percent until 2014, and then only reach 83 percent by 2015/2016.

4.1.5. The Auto Industry[8]

The global automobile manufacturing industry generates annual revenues in excess of $2 trillion. After softening throughout the financial crisis, the industry has bounced back and U.S. consumers purchased new cars and trucks in June at a pace not seen since before the recession. Moderate growth is anticipated in the next two years, driven by continued low interest rates and improving employment.

The U.S. industry includes about 200 companies with combined annual revenue of about $220 billion and is highly concentrated, with the top five companies accounting for about 70 percent of sales. U.S.-based automakers compete with numerous foreign rivals, including companies such as Toyota, Honda, and Nissan that have extensive auto assembly operations in the U.S. Through stateside manufacturing capacities and exports to the U.S., foreign carmakers collectively have about half of the U.S. market.

The profitability of individual companies depends on manufacturing efficiency, product quality, and effective marketing. Large companies have economies of scale in purchasing and marketing while smaller companies can compete by focusing on specialized markets. Market participants will be challenged with significant changes in the industry over the next decade brought about by globalization, technology development, regulations and a shift of focus to emerging markets.

[8] FirstResearch industry report, KeyValue Data National Economic Report, June 2013, as well as various publicly available news articles and websites. For a more in depth discussion, see ***Appendix G***.

4.2. TCC'S FINANCIAL CONDITION AND HISTORIC OPERATIONS

Exhibit 1 and ***Exhibit 3*** contain a summary of the comparative historical balance sheets and income statements of TCC for the periods ended June 30, 2004 through June 30, 2013. ***Exhibit 5*** provides select industry benchmark information for comparison purposes. TCC's financial statements are subject to audit by its Independent Certified Public Accountants, Chiampou Travis Besaw & Kershner, LLP.

The Company's book value of equity as of June 30, 2013 was 79.0 percent of total assets, compared to the industry norm of approximately 52 percent, and compared to its own 10-year average of 66.4 percent. The utilization of debt financing often reduces an entity's overall cost of capital, as debt financing is typically less expensive than equity financing. This appears to be the case in the Company's industry, as the benchmark suggests that the industry optimal capital structure utilizes debt. The comparison of TCC's current ratio to its average reflects the fact that historically, TCC maintained an asset based borrowing arrangement with a commercial lender,[9] which we understand was called following the indictment, leaving TCC financed predominantly with retained earnings and no longer having access to this source of funds to finance operations or to contribute to its ability to pay a criminal penalty.

The Company's current cash position of 12.6 percent of total assets is higher than industry benchmark of 9.0 percent to 10.0 percent. We understand that this is the result of postponing capital investment in order to accommodate certain expenditures that may be required by regulatory agencies, as well as costs associated with civil litigation, in the coming periods.

[9] An asset based loan is formula-driven wherein the lender agrees to advance monies based upon a certain percentage of certain of an entity's assets. While the advance rate changed over time, historically the lender would advance up to 65 percent of eligible receivables, 50 percent of raw materials (coal) and 50 percent of finished goods (coke).

While TCC's book value of assets is $36.8 million as of June 30, 2013, that figure is not to be confused with the current fair market value of the Company. Further explanation of this issue is found in *Valuing a Business*.

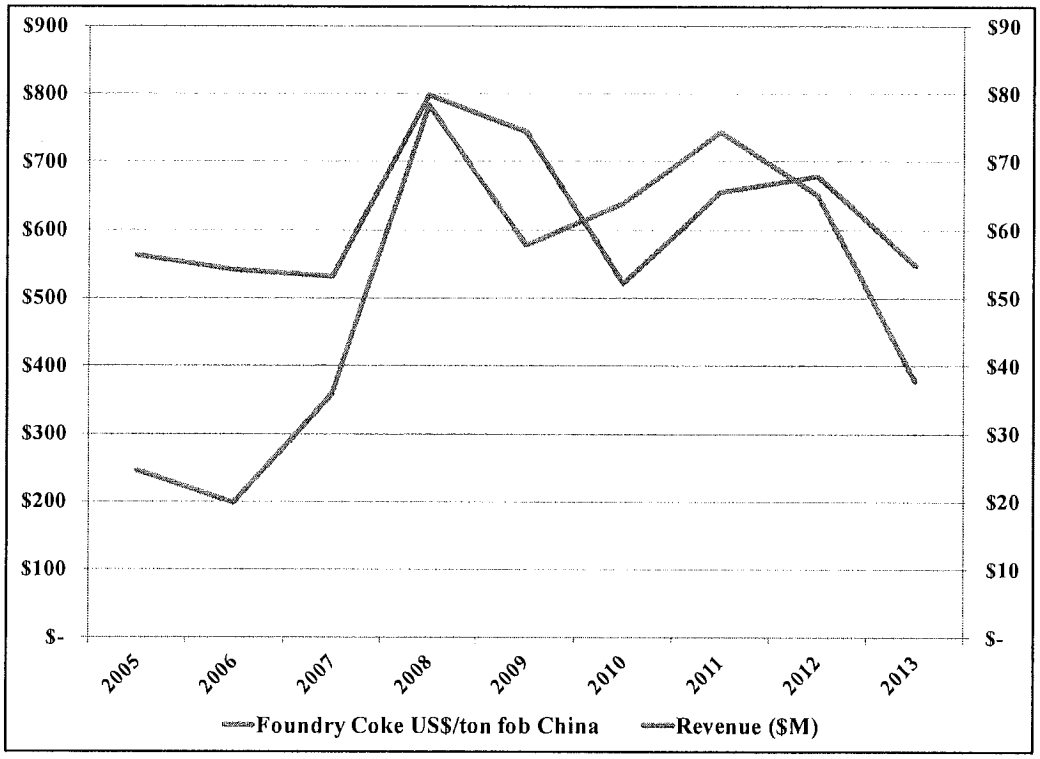
> "It is conceptually incorrect to automatically conclude that the value of a business is based only on the value of its tangible assets. Likewise, it is also conceptually incorrect to conclude that the value of a business is equal to its accounting book value – without the use of generally accepted valuation procedures and rigorous fundamental analyses to support that conclusion. [10]

Indicators of fair market value upon sale are examined in ***Section 4.4***.

Sales are driven by the demand for foundry coke which is related to the strength of the economy in general and the industries that the Company serves, as well as the availability of product from competitors. Given the fact that TCC is constrained to a specific production capacity, the primary determinant of sales variations is the market price of coke. Since coke is a commodity, its price fluctuates based on global market conditions, and as noted in the discussion of current economic and industry factors, a combination of weak demand and an increased availability of low-cost Chinese export supply has served to reduce prices significantly. The Company sold approximately 80,000 tons of foundry coke in the year ended June 30, 2013, a decrease of 11.1 percent compared to the previous year. This decrease in volume combined with the reduced price of coke has resulted in a decrease in revenues of 19.4 percent year over year. ***Chart 2*** sets out the historical market price per ton of foundry coke versus the Company's revenues in millions.

[10] *Valuing a Business*, Fourth Edition, Shannon P. Pratt et al., McGraw Hill Publishers, 2000, page 339.

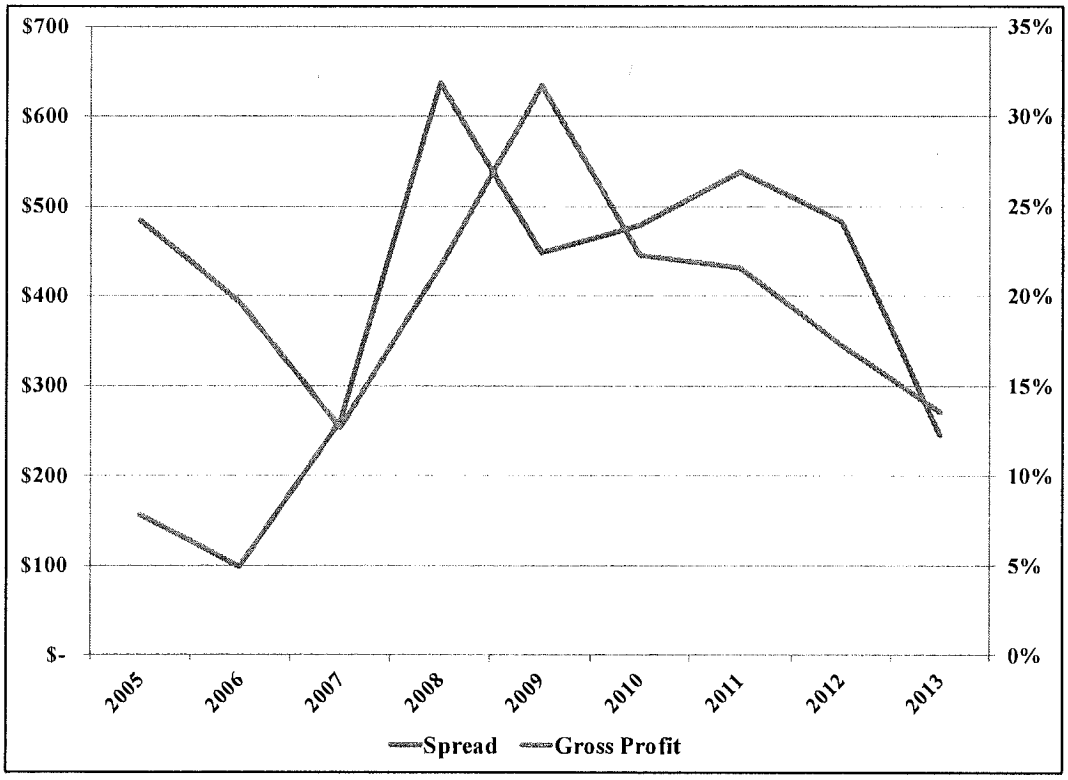
Chart 2: Average Foundry Coke Market Price per ton vs. TCC Revenue (in millions)[11]



Coking coal is the largest cost component in the production of coke. As a result, profitability and ultimately cash flow are largely dependent on the pricing spread between the cost of coking coal and the market price of coke. As noted in ***Chart 1***, the spread has diminished dramatically since 2010 and 2011, and was reduced further still with the removal of the 40.0 percent Chinese export tax and subsequent decrease in coke prices. The relationship between this spread and profitability is displayed in ***Chart 3***, which sets out TCC's gross profit margin in comparison to the difference between coking coal costs and market prices for foundry coke.

[11] The chart demonstrates that TTC's revenues are highly correlated with the average market price of coke. There are differences in timing of the graph patterns due to the fact that TCC is on a fiscal year ended June 30 and TCC's inventory levels can impact the timing of when the effect is materialized in the financial statements.

Chart 3: TCC Gross Profit Margin vs. Spread[12]



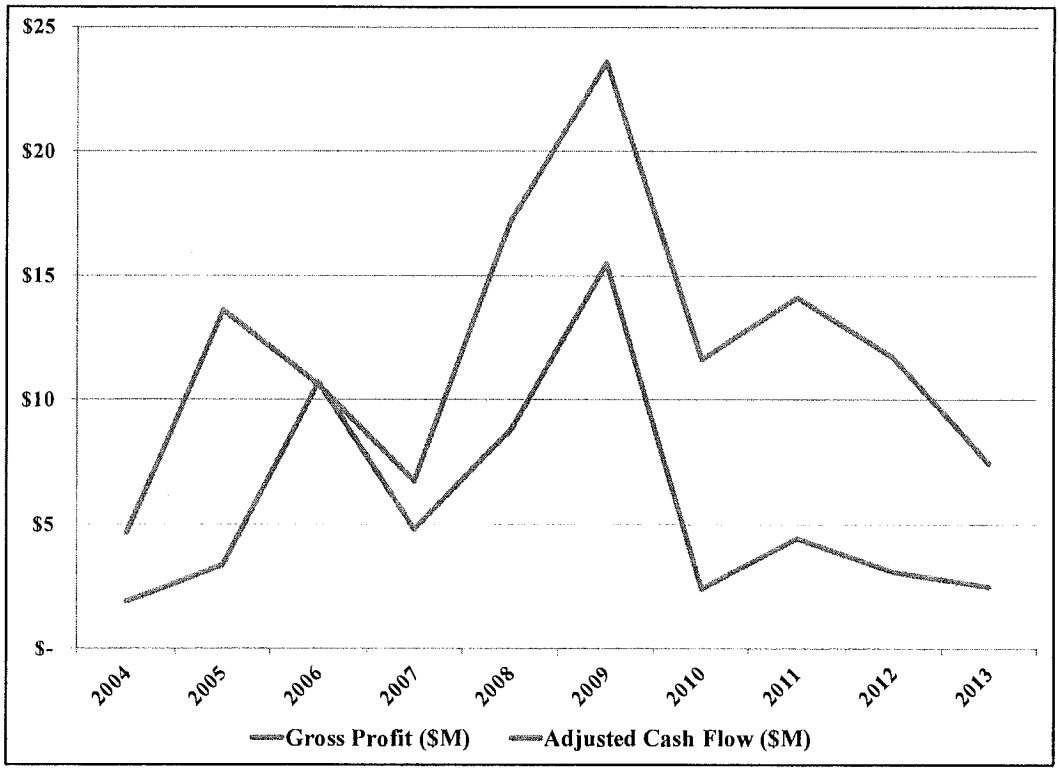
While the price/cost spread is the primary factor in determining the Company's ability to operate at a profit, efficiency of operations also plays a role. This includes efficient use of assets, as well as ability to manage and minimize amounts expended for selling, general and administrative costs. In analyzing the historical operating results of TCC, we noted that between 2004 and 2009, the Company incurred average operating expenses of approximately six percent of revenues. Operating expenses increased in the periods ended June 30, 2010 to present, but once adjustments are made to eliminate the effect of certain non-recurring charges related to the government investigation, remedial actions and trial, operating expenses are in line with industry benchmarks. TCC's revenue to

[12] Similarly this chart shows a high correlation between the price/cost spread between the cost of coking coal and the market price of coke and TCC's gross profit percentage. Again there are slight timing differences experienced by TCC due to the fact that TCC is on a fiscal year ended June 30 and TCC's inventory levels can impact the timing of when the effect is materialized in the financial statements.

total assets and revenue to net fixed assets ratios for the year ended June 30, 2013 compare unfavorably with its average over the period analyzed, as well as with industry benchmarks. This would be expected given the current pricing conditions in the market.

In order to determine the historical cash flow generated by TCC, we adjusted the net income reported on the financial statements for non-cash items (i.e. depreciation and amortization), capital expenditures, proceeds from the disposition of used equipment and the effect of debt transactions. We then eliminated the effects of the one-time charges.[13] ***Chart 4*** provides a summary of historical gross profits and Cash Flow adjusted.

Chart 4: TCC Gross Profit and Cash Flow (in millions)



[13] As calculated by Asterion and found in ***Exhibits 3*** and ***4***, referred to herein as "Cash Flow".

We note that gross profit has steadily declined from a high of 31.7 percent experienced in 2009 to 13.6 percent in 2013. This declining trend is the reason that Cash Flow has likewise declined during those periods. Adjusted Cash Flow, the measure of TCC's ability to pay has decreased from $4,439,148 in 2011 to $3,117,032 in 2012 to $2,507,308 in 2013. The decline in Cash Flow is consistent with declining gross profits in the industry due to factors in the marketplace.

According to the Presentence Investigation Report prepared May 28, 2013, we note that the investigator states:

> "Based on this information, it would appear that the defendant corporation's net income was lucrative from 2005 to 2009, then drastically dropped in 2010 after the criminal investigation was initiated."[14]

This statement appears to imply a direct correlation between the decline in net income and the commencement criminal investigation. Based on the results of our analysis, it is evident that the Company's decline in profitability is more directly correlated to market forces.

While historical Cash Flow is an indicator of potential ability to pay, this indicator is not a source for payment since it occurred in the past. TCC's ability to pay is best measured based upon its anticipated Cash Flow, as discussed in ***Section 4.3*** below.

4.3. PROJECTED FINANCIAL CONDITION, RESULTS FROM OPERATIONS

As part of the financial management of TCC, the Company prepares projections of anticipated financial results. ***Exhibit 2*** and ***Exhibit 4*** set out summaries of the Company's projected balance sheets and income statements for the years ended June 30, 2014 and June 30, 2015.

[14] May 28, 2013 Presentence Investigation Report, paragraph 111.

TCC projects a decrease in revenues of approximately 8.0 percent for the year ended June 30, 2014, compared to the current year, and a decrease of another 6.0 percent in the year ended June 30, 2015. The projections assume that all existing administrative orders are complied with, and we understand that the projections include any necessary expenses and capital expenditures to implement those orders. Gross profit is projected to return to historic levels in 2014 and 2015 as a result of currently low coking coal prices. However, we note that industry predictions suggest that the current price for coking coal will be the low point in the medium term. Operating expenses are anticipated to approximate $6 million in each year, with a decline in 2015, primarily resulting from lower anticipated professional fees.

Net Cash Flow is projected to be $864,000 in 2014 and $1,069,000 in 2015. The projected Cash Flow for 2014 and 2015 is consistent with the trend in Cash Flow from a historical perspective and is also consistent with economic and industry factors affecting the Company. As a result, it is our opinion that TCC's ability to pay a criminal penalty is best expressed as the average projected Cash Flow for 2014 and 2015, or approximately $1,000,000 per year.

4.4. FINANCING AND SALE ALTERNATIVES

The financial assets of a company may, in some cases, be used as a basis to pay a criminal penalty. Assets may be leveraged via additional borrowing or the assets of a business can be sold and the excess proceeds from the sale theoretically could be used to pay a criminal penalty.

As noted above, TCC's bank called its loans as a result of the indictment and since that point in time TCC has not been able to borrow on its assets. Since under certain circumstances, lenders can be held directly liable for environmental cleanup, lenders develop appropriate safeguards and controls to limit exposure to potential liability

associated with their collateral. To account for the forgoing risks, lenders typically charge higher interest rates to borrowers such as TCC.[15] Based upon my experience and discussions with various lenders, it is unlikely that TCC will be able to borrow against its assets currently. Moreover, it is unclear, given uncertainty and regulatory concerns, whether a lender would be willing to lend against its assets in order to pay a criminal penalty once the sentencing hearing in which TCC faces a maximum criminal penalty in excess of $300 million, is completed. This is due to the fact that the conviction may cause a lender to view the company with higher scepticism or perceived greater credit risk. Assuming the criminal penalty is set within a range that can be managed by anticipated Cash Flow, based upon my discussion with various lenders, certain of those lenders would be willing to evaluate whether their institutions would enter into a financing arrangement with TCC. An additional complicating factor that will need to be addressed by the lender is that the Company is a defendant in a class action lawsuit. The existence of the lawsuit raises additional risks to be evaluated by a potential lender in determining whether to lend to TCC.

In order to assess the likelihood of a sale transaction we conducted a search for recent sales of similar businesses in the marketplace including searches of transaction databases that are typically used by valuation experts in my field including Mergerstat and the Pratt's Stats Database. Our search did not identify any recent comparable transactions on which to estimate the fair market value of TCC.

During our search, we noted that numerous coke plants have been shut down, which is consistent with the decline in furnace coke makers discussed previously. We were able to identify that the assets of Shenango Incorporated ("Shenango" (a coke battery with 56 ovens that produces furnace coke)) were transferred to DTE Energy ("DTE") on or about April 25, 2008. In reviewing the DTE financial statements filed with the Securities and

[15] "Do Environmental Concerns Affect the Cost of Bank Loans?" Sudheer Chava, Mays Business School, Texas A&M University, February 14, 2010.

Exchange Commission, we noted that the statements do not provide the terms of the Shenango transaction, indicating that the actual cash transferred for the assets was not material to the operations of DTE. This transaction is consistent with our understanding of the transfer from Allied Chemical Corporation to TCC in which $2 million was exchanged. We understand that one of the major determinants of the consideration was the potential future environmental remediation expense, which would be triggered if the plant ceased operations.

Our search also identified one publicly traded coke manufacturer, Suncoke Energy, Inc. ("Suncoke") which is the largest independent producer in the Americas. Suncoke was incorporated in 2010, became public in 2011 and its two step separation from Sunoco, Inc. was completed in 2012. Suncoke is not directly comparable to TCC since it has access to the capital markets, is significantly larger, has more diverse operations and geographic reach, conducts coal mining activities, has several facilities and produces furnace coke rather than foundry coke, among other reasons. Given the forgoing characteristics, we would anticipate that any transaction involving the sale of TCC, to the extent it would occur[16] would be at a substantial discount to the trading multiples of Suncoke. The discounts would include, at a minimum, discounts for comparability, size, growth and marketability. For informational purposes only, we have computed the hypothetical value of TCC using Suncoke's market multiples before consideration of the aforementioned discounts, as set out in ***Exhibit 6***. As can be seen in the computation, even to the extent that TCC would trade at market multiples equal to Suncoke, which we do not believe to be the case, TCC would be worth substantially less than the maximum criminal penalty that could be assessed.

Given the nature of TCC's operations, a potential buyer would be more interested in multiples that provide an indicator of cash flow, such as EBITDA and EBIT. As a result,

[16] The sale of TCC would be complicated by the long history of operations at the site and the potential environmental remediation expense that would need to be considered by a potential purchaser.

it is our opinion that a potential buyer would disregard the indicator of value derived from the revenue multiple. Application of Suncoke's EBITDA and EBIT multiples to the Company's operating results yields an indication of the value of TCC of between approximately $13 million and $15 million before the aforementioned discounts. Moreover, a potential buyer would be concerned with the potential environmental remediation issues that may exist should the plant stop operating. This factor, along with the aforementioned discounts, would have a downward effect on value. Finally, before distribution of any proceeds on sale could be made, consideration would need to be given to whether a portion of the sale proceeds would need to be reserved for a potential liability that could exist if liability was established in the pending class action.

From a financial point of view, in assessing a criminal penalty overall company value should be a consideration. There needs to be an incentive structure in place to allow the owner to achieve some sort of benefit from its investment. Absent some sort of incentive, a rational owner would abandon the investment.

Based on the foregoing analysis, we believe that it is unlikely that TCC would be able to enter into a transaction that would result in a significant source of funds to pay a criminal penalty.

4.5. OTHER FACTORS

An additional, qualitative factor in assessing TCC's ability to pay is the impact the payment would have on the Company's ability to continue as a going concern and the additional impact the Company's continuance to operate has on the community. Given the unclear and/or unlikely ability to obtain financing or enter into a sale, a criminal penalty will need to be funded from Cash Flow generated by operations. Too large a fine may result in the loss of jobs at TCC and cause an adverse impact on the community in which TCC is located. We note that according to the Bureau of Economic Analysis, for

every dollar spent in manufacturing, another $1.41 is generated in other sectors of the economy. The corresponding "accelerator" for financial services, by contrast, is 64 cents.[17] In addition, a recent study from the University of Illinois Chicago's Center for Urban Economic Development finds a multiplier effect at work in the Chicago manufacturing sector.[18] The study claims that each new manufacturing job in the Chicago metropolitan area creates another 2.2 jobs on average in the region's service and supply sectors. According to the study, jobs in the petroleum and coal industries generated the highest number of additional jobs at 8.3 and 5.7 respectively. While the study is not for New York, the study indicates that Chicago's manufacturing multiplier is not significantly different than that of other U.S. metropolitan regions. As a result, the study indicates that the 100 people employed at the Company form an interrelated network and the loss of jobs at the Company would create a ripple effect of additional job losses in the region.

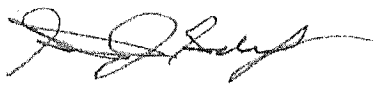
Assessing a criminal penalty that can be paid out of available Cash Flow will enable the Company to continue its operations and employment of in excess of 100 people in Tonawanda, NY, and avoid the unintended consequences that closure may entail. ***Exhibit 3*** and ***Exhibit 4*** provide historical and projected Cash Flow for TCC. Since this is currently the only source available to TCC to pay a criminal penalty, this information should be factored into TCC's ability to pay.

4. CONCLUSION

Based upon the analysis performed it is our opinion within a reasonable degree of professional certainty that:

[17] The Public Policy Institute of New York State, Inc. "Keys to a Manufacturing Resurgence in New York", May 2011.
[18] June 6, 2013 www.madeinnyc.org/article/16654.

- Current market and industry factors have had a negative impact on TCC's operations;
- Market and industry factors indicate that TCC's growth and profitability will be limited in the short term;
- It is unclear and/or unlikely that TCC would be able to obtain financing or enter into a sale in order to pay a criminal penalty; and,
- Based upon our analysis of the trends in historical Cash Flow and the impact of economic and industry factors on projected Cash Flow, TCC's ability to pay a criminal penalty is approximately $1,000,000 per year.



Stephen J. Scherf, CPA, CFE
Principal

Appendix A

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Principal

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Biography

Mr. Scherf has provided a wide array of accounting and consulting services to clients with an emphasis on business valuations, fraud investigations, bankruptcy, and litigation matters. Mr. Scherf has testified on numerous occasions in arbitrations, depositions and Federal Court. Mr. Scherf has taught for the American Institute of Certified Public Accountants, The National Association of Certified Valuators & Analysts and other professional organizations.

Mr. Scherf's employment experience includes "Big Four," regional and a "boutique" accounting firm. In the private sector, Mr. Scherf held officer positions at a $2.5 billion financial institution, a major real estate developer and an investment firm.

Professional Memberships

- American Arbitration Association National Roster of Commercial Panel of Neutrals
- FINRA Public Arbitrator
- American Institute of Certified Public Accountants
- Delaware Society of Certified Public Accountants
- Pennsylvania Institute of Certified Public Accountants
- Turnaround Management Association
- National Association of Certified Valuators & Analysts
- American Bankruptcy Institute
- American College Board of Forensic Examiners
- Association of Certified Fraud Examiners
- Association of Insolvency and Restructuring Advisors
- Institute for Internal Controls

Education

Mr. Scherf has a B.B.A. in Accounting from Temple University (1980) and a Master of Science in Finance (1986) and an Advanced Professional Certificate in Taxation (1987) from Drexel University. His education has been supplemented by various continuing education courses offered by a variety of professional organizations. He has spoken before professional and educational groups on various aspects of business valuation, litigation consulting, fraud investigations and economic damages.

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Rule 26 Disclosure – Testimony

Date	*Jurisdiction*	*Type*	*Matter*
2013	United States District Court District of Delaware	Deposition	Jonathan and Trude Yarger et al. v ING Bank, FSB
2013	Superior Court of New Jersey Camden County	Deposition	Ozcan Yildiz and Storm Master West v. Storm Master Co., Inc. et al.
2013	Court of Common Pleas Montgomery County, PA	Trial	Howard Lapensohn, Trustee v. Jill Lapensohn, Trustee et al.
2013	United States Bankruptcy Court Eastern District of Pennsylvania	Trial	In Re: Amy L Styer Commonwealth of Pennsylvania v. Amy L. Styer
2012	Court of Common Pleas Philadelphia County, PA	Hearing	Unicon Holdings, Inc. et al. v. New Start, LLC.
2012	United States Bankruptcy Court Eastern District of Pennsylvania	Trial	In Re: Amy L Styer Commonwealth of Pennsylvania v. Amy L. Styer
2012	Superior Court of New Jersey Law Division Middlesex County	Trial	Thomas J. Sharp & Associates, Inc. et al. v. JH Cohn LLP et al.
2012	United States Bankruptcy Court Southern District of Florida	Deposition	Maury Rosenberg v. DVI Receivables, XIV, LLC et al.
2012	Court of Common Pleas Bucks County, PA	Hearing	In Re: Charles J. Bozzo, Deceased

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Rule 26 Disclosure – Testimony

Date	*Jurisdiction*	*Type*	*Matter*
2012	United States Bankruptcy Court Eastern District of Pennsylvania	Hearing	400 Walnut Associates, LP.
2012	United States Bankruptcy Court Eastern District of Pennsylvania	Deposition	400 Walnut Associates, LP.
2011	Superior Court of New Jersey Law Division Camden County	Deposition	Camden County Community College et al. v Whitson's Food Service et al.
2011	United States District Court Eastern District of Pennsylvania	Trial	Pure Earth, Inc. v. Gregory Call v. Pure Earth Inc., et al.
2011	Court of Common Pleas Montgomery County, PA	Hearing	Ashley B. Fienman, et al. v. SCA, L.P. et al.
2011	Court of Common Pleas Berks County, PA	Trial	Commonwealth of Pennsylvania v. Wesley Snyder et al.
2011	United States Bankruptcy Court Eastern District of Pennsylvania	Hearing	400 Walnut Associates, LP.
2011	United States Bankruptcy Court Eastern District of North Carolina	Hearing	Croatan Surf Club, LLC
2011	United States Bankruptcy Court Eastern District of Pennsylvania	Deposition	400 Walnut Associates, LP.

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Rule 26 Disclosure – Testimony

Date	*Jurisdiction*	*Type*	*Matter*
2011	FINRA Arbitration Philadelphia, PA	Hearing	John and Eiko Nernoff v. William Lex
2011	Court of Common Pleas Bucks County, PA	Trial	Benjamin E. Long v Accentra, Inc. et al.
2011	United States Bankruptcy Court Southern District of New York	Deposition	Responsible Person for Musicland Holding Corp. et al. v. Best Buy Co., Inc. et al.
2010	American Arbitration Association Philadelphia, PA	Deposition	Agrippa, LLC v. SB New York, Inc.
2010	United States Bankruptcy Court District of Delaware	Deposition	MetaMorphix, Inc.
2010	United States Bankruptcy Court Eastern District of Pennsylvania	Hearing	Carriage House Condominiums, LP.
2010	Court of Common Pleas Delaware County, PA	Trial	Chadds Ford Capital Management, LLC v. Eagle National Bank, et al.
2010	American Arbitration Association International Panel Philadelphia, PA	Trial	Perfect Order Acquisition Corporation and Versatile Mobile Systems, Inc. v. Terry J. Johnson
2010	United States Bankruptcy Court Northern District of Texas	Hearing	The Oceanaire Texas Restaurant Company, LP et al.

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Rule 26 Disclosure – Testimony

Date	*Jurisdiction*	*Type*	*Matter*
2010	United States Bankruptcy Court Northern District of Texas	Deposition	The Oceanaire Texas Restaurant Company, LP et al.
2010	Superior Court of New Jersey Law Division Hunterdon County	Deposition	David R. Sharp et al. v Lisa James Otto Agency et al.
2009	American Arbitration Association Montgomery County, PA	Trial	ARCCA, Inc. v. Global Seating Systems, Inc.
2009	United States Bankruptcy Court District of Delaware	Hearing	Metromedia Steakhouses Company
2009	United States Bankruptcy Court District of Delaware	Hearing	Basin Water, Inc.
2009	Superior Court of New Jersey Essex and Morris Counties	Deposition	Valley National Bank et al. v. Robert Abramson et al..
2009	Court of Common Pleas Montgomery County	Trial	Charles Alfonso v. Intercon Enterprises, Inc.
2009	Superior Court of the State of California County of Orange	Deposition	Darryl S. Brodke, et al. v. Alphatec Spine, Inc. et al.
2009	United States Bankruptcy Court Southern District of New York	Deposition	Responsible Person for Musicland Holding Corp. et al. v. Sun Capital Partners III QP, LP et al.

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Rule 26 Disclosure – Testimony

Date	*Jurisdiction*	*Type*	*Matter*
2009	United States Bankruptcy Court District of Maryland	Hearing	Sunchase Capital Partners XI, LLC
2008	American Arbitration Association Denver, CO	Trial	S. Harris, D. Wilhelm et al. v. Squaw Creek Development, LLC
2008	Court of Common Pleas Philadelphia County	Trial	National Medical Imaging, LLC v. Donna Paternoster
2008	United States Bankruptcy Court Southern District of New York	Trial	Food Management Group v. Richard Pu, P.C.
2008	United States Bankruptcy Court Central District of Illinois	Deposition	Fleming Packaging Corp. v. The Goldfarb Corporation et al.
2008	United States District Court District of Arizona	Trial	Biltmore Associates v. Peter Thimmesch et al.
2008	United States District Court Southern District of Florida	Deposition	Burger King Corporation v. E-Z Eating 8th Corp., et al.
2008	American Arbitration Association Denver, CO	Deposition	S. Harris, D. Wilhelm et al. v. Squaw Creek Development, LLC
2008	United States District Court District of Delaware	Deposition	Magten Asset Management v. Michael J. Hanson and Ernie J. Kindt

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Rule 26 Disclosure – Publications

Date	*Publication*	*Title*
2011	National Litigation Consultant's Review	*Fair Value Accounting's Impact on Damages*
2010	National Litigation Consultant's Review	*Business Valuation in the "But For" World*
2007	ABF Journal (Co-Author with G Urbanchuk)	*Newton and Fraud: What Goes Up Must Come Down*
2002	Parente Randolph Newsletter	F*raud on the Rise*
2002	Parente Randolph Newsletter	*Shareholder Disputes*
2002	Parente Randolph Newsletter	*Employee Fraud*

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Rule 26 Disclosure – Speaking Engagements

Date	*Description*	*Location*
2013	Pennsylvania Bar Institute Advanced Piercing the Corporate Veil	Philadelphia, PA
2013	Accounting for Lawyers	Philadelphia, PA
2013	Pennsylvania Bar Institute Business Divorce	Mechanicsburg, PA
2012	National Association of Certified Valuation Analysts Advanced Valuation Applications and Models	Philadelphia, PA
2011	Pennsylvania Institute of Certified Public Accountants Ethics and Other Issues – An Update	Valley Forge, PA
2011	Pennsylvania Institute of Certified Public Accountants Impairment Testing for Financial Reporting	Harrisburg, PA
2011	National Association of Certified Valuation Analysts Advanced Valuation Applications and Models	Orlando, FL
2011	National Business Institute Accounting 101 for Attorneys	Allentown, PA
2010	National Association of Certified Valuation Analysts Advanced Valuation Applications and Models	Chicago, IL
2010	Pennsylvania Institute of Certified Public Accountants Fair Value Measurements	Harrisburg, PA

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Rule 26 Disclosure – Speaking Engagements

Date	*Description*	*Location*
2010	American Society of Appraisers - Southern New Jersey Chapter Lost Profits and Business Destruction Damage Claims	Cherry Hill, NJ
2010	Office of Auditor Accounts – State of DE The Expert's Role and Testimony	Dover, DE
2009	National Association of Certified Valuation Analysts Advanced Valuation Applications and Models	Jersey City, NJ
2009	Pennsylvania Institute of Certified Public Accountants Financial Institutions Conference Valuation and SFAS 141R	Hershey, PA
2009	Montgomery County Bar Association and the Greater Philadelphia Chapter of the PICPA – Strategies for Clients in the Current Economic Crisis	Norristown, PA Philadelphia, PA
2008	National Association of Certified Valuation Analysts Advanced Valuation and Case Study Workshop	San Diego, CA
2008	Pennsylvania Institute of Certified Public Accountants Business Valuation Conference FASB Valuation Issues	Harrisburg, PA
2008	Association of Government Accountants Ponzi Schemes	Philadelphia, PA

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Rule 26 Disclosure – Speaking Engagements

Date	*Description*	*Location*
2007	National Association of Certified Valuation Analysts Advanced Valuation and Case Study Workshop	Washington, DC
2007	Fair Value Measurements SFAS 157 Pennsylvania Institute of Certified Public Accountants	Conshohocken, PA
2007	National Association of Certified Valuation Analysts Normalizing and Projecting Earnings Valuation Methods: Alternatives and Decision Criteria	Philadelphia, PA
2007	National Association of Certified Valuation Analysts Advanced Valuation and Case Study Workshop	Brookfield, WI
2006	Discounting of Damages, Selecting Appropriate Discount Rate - Forensic & Litigation Services Conference Pennsylvania Institute of Certified Public Accountants	King of Prussia, PA
2006	Business Valuation: How to Make or Break Your Case Montgomery County Bar Association Pennsylvania Institute of Certified Public Accountants	Norristown, PA
2006	National Business Institute Financial Statement Analysis for the Non-Financial Advisor in Pennsylvania	Philadelphia, PA
2006	National Association of Certified Valuation Analysts Advanced Valuation and Case Study Workshop	San Antonio, TX

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Rule 26 Disclosure – Speaking Engagements

Date	*Description*	*Location*
2006	National Association of Certified Valuation Analysts Advanced Valuation and Case Study Workshop	Chicago, IL
2005	National Association of Certified Valuation Analysts Valuation Methods: Alternatives and Decision Criteria	Ft. Lauderdale, FL
2005	National Association of Certified Valuation Analysts Valuation Methods: Alternatives and Decision Criteria	Jersey City, NJ
2005	National Association of Certified Valuation Analysts Advanced Valuation and Case Study Workshop	Philadelphia, PA
2005	Association of Government Accountants Philadelphia Chapter Business Valuation Fundamentals and Techniques	Lester, PA
2005	Association of Government Accountants Philadelphia Chapter Ownership and Acquisition Disputes and the Role of the Forensic Accountant	Lester, PA
2004	National Association of Certified Valuation Analysts Valuation Methods: Alternatives and Decision Criteria	Las Vegas, NV
2004	National Association of Certified Valuation Analysts Valuation Methods: Alternatives and Decision Criteria	Chicago, IL

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Rule 26 Disclosure – Speaking Engagements

Date	*Description*	*Location*
2004	AICPA Conferences on Fraud and Litigation Services Case Management	Phoenix, AZ
2003	Pennsylvania Institute of Certified Public Accountants Business Valuation Methods and Current Hot HV Topics	Bethlehem, PA
2003	National Association of Certified Valuation Analysts Valuation Methods: Alternatives and Decision Criteria	San Diego, CA
2003	National Association of Certified Valuation Analysts Valuation Methods: Alternatives and Decision Criteria	New Orleans, LA
2003	AICPA National Conference on Advance Litigation Services Purchase Price & Acquisition Disputes – Practical Application and Hot Issues	Miami Beach, FL
2003	Pennsylvania Institute of Certified Public Accountants Fraud and Internal Controls	Hershey, PA
2003	Institute of Internal Auditors Forensic Accounting	Pittston, PA
2002	National Association of Certified Valuation Analysts Determining the Appropriate Valuation Method	Atlanta, GA

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Rule 26 Disclosure – Speaking Engagements

Date	*Description*	*Location*
2002	National Association of Certified Valuation Analysts Determining the Appropriate Valuation Method	Phoenix, AZ
2002	National Association of Certified Valuation Analysts Determining the Appropriate Valuation Method	Toronto, Canada
2002	Pennsylvania Institute of Certified Public Accountants Not-For-Profit Fraud Schemes	Hershey, PA
2002	PA Department of Banking Fraud Red Flags	Harrisburg, PA
2002	Association of Government Accountants Forensic Accounting	Philadelphia, PA

Appendix B

Tonawanda Coke Corporation
Appendix B: Listing of Documents Relied Upon

May 1, 2013 Affidavit of Paul A. Saffrin and Attachment A.
Nature of Business Summary
Environmental Expenditures Summary
Summary of Administrative Orders and Notices of Violation, 2009 to Present
Purchase Agreement between Allied Chemical Corporation and Tonawanda Coke Corporation dated January 27, 1978.
U.S. Federal Income Tax Return (Proforma) for Tonawanda Coke Corporation for the Years Ended June 30, 1998 through 2012
Draft Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 2013
Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 2012 and 2011
Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 2011 and 2010
Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 2010 and 2009
Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 2009 and 2008
Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 2008 and 2007
Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 2007 and 2006
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Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 2000 and 1999
Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 1999 and 1998
Financial Statements for Tonawanda Coke Corporation for the Years Ended June 30, 1998 and 1997
Internal Financial Statements for Tonawanda Coke Corporation for the Nine Months Ended March 31, 2013
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2013 through December 31, 2012
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2012
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2011
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2010
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2009
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2008
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2007
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2006
Internal Financial Statements for Tonawanda Coke Corporation Quarterly for the Fiscal Year Ended 2005
Projected Financial Statements for the years ended June 30, 2014 and 2015
Quarterly Estimated Tax Payment October 15, 2012
Quarterly Estimated Tax Payment December 17, 2012
Aged Accounts Receivable as of March 31, 2013
Inventory Breakdown in quanity and dollars as of March 31, 2013
Note Receivable Affiliate (Erie Coke Corporation) detail as of March 31, 2013
Property Plant and Equipment as of March 31, 2013
List of Assets - Balance at June 30, 2005 through 2012
Tonawanda Coke Corporation Tax Payment History Schedule for the Years Ended June 30, 1998 through 2012
Tonawanda Coke Corporation Production Capacity
SG&A History for the Years Ended June 30, 2005 through 2012
Inventoriable Cost History for the Years Ended June 30, 2005 through 2012
Financial Information on Suncoke Energy Inc., form 10-K for year ended December 31, 2012 and Form 10-Q for quarter ended June 30, 2013
DTE Energy 2008 Annual Report
DTE Energy Mid-Year Business Update July 2, 2008
Industry benchmark data from BizMiner
Mergerstat and Pratt Stats database searches and related results
Global Economic Prospects Volume 7, June 2013 published by The World Bank
KeyValue Data National Economic Report, June 2013
Coke Market Reports published by Resource-Net from 2005 through 2013
Global Steel 2013 – A new world, a new strategy published by Ernst & Young
FirstResearch industry report for Automobile Manufacturing
Information available from various publicly available news articles and websites

Appendix C

Global Economic Conditions[1]

The global economy appears to be transitioning to a period of slower, but more stable growth. Gross domestic product ("GDP") slowed in mid 2012, but is recovering with 2013 projected GDP growth of 2.2 percent followed by 3.0 and 3.3 percent in 2014 and 2015, respectively. Most countries have recovered from the 2008 financial crisis, so this level of growth is broadly in line with underlying potential. Moreover, financial market risk indicators including sovereign debt spreads and stock market volatility indicators have improved significantly since June 2012.

High-income countries, particularly in Europe, continue to face challenges in restoring sustainable fiscal policies and shoring up the banking sector. The likelihood of these challenges leading to a major crisis has diminished however. The recovery in the U.S. can be seen in the fairly robust private sector, but is being held back by the prospect of fiscal tightening. Japan, on the other hand, has boosted activity through a dramatic relaxation in macroeconomic policy. Developing countries are expected to see an increase in GDP growth to 5.1 percent this year and 5.6 to 5.7 percent in 2014 and 2015 thanks to less volatile external conditions and recovery of capital flow levels.

Quantitative easing in high-income countries has benefited developing countries to some extent, through lowered borrowing costs, as well as a decrease in yields on riskier, developing-country equities, but investment in developing countries has not recovered to previous levels and has been more volatile. As high-income countries focus less on quantitative easing, however, interest rates are likely to rise and banks in countries that have enjoyed growth and asset-price inflation together with high levels of government or private sector debt will experience an increased risk of default. As the cost of capital in developing countries adjusts to higher interest rates in the longer term, investment spending in developing countries can be expected to decline.

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[1] Global Economic Prospects Volume 7, June 2013 published by The World Bank.

Global trade recovered in the first quarter after several months of contraction with total volume of exports and imports rising at a 5.0 percent annualized pace in the first quarter of 2013. The upturn was driven by developing country imports, registering approximately 18.0 percent in the first quarter, but import demand decreased to an annualized rate of 10.8 percent in April, signaling an easing in the pace of global trade. China's economic growth appears to be losing momentum also, as export growth slowed from 12.7 percent year-over-year in April to one percent in May. Global trade growth is anticipated to gradually strengthen through 2015 thanks to expected strengthening of the Euro Area economy and the ongoing steady recovery in the U.S. and robust developing country growth. Trade volumes will remain below their pre-crisis trend, however, and the incidence of new restrictive trade measures suggests a rise in protectionism, as unemployment remains at elevated levels and global demand remains weak. Downside risks to global trade include a worsening of conditions in the Euro Area, the possibility of markets reacting badly if either the U.S. or Japan is unable to map out a credible deficit reduction strategy, a rapid decline in Chinese growth and geopolitical concerns.

Growth in the global industrial sector in the post 2008-2009 period has been unimpressive, with the exception of East Asia and Pacific, and China in particular. Overall, more than four years after the financial crisis began, industrial output is only 5.3 percent higher than it was pre-crisis. Output in the U.S. has nearly regained pre-crisis levels, while output in the Euro zone and Japan are still sharply lower. Developing countries aside from China are producing at a rate 2.6 higher than pre-crisis, but China stands out with industrial production 67.9 percent higher than pre-crisis, though recently, the growth rate has decelerated to an annualized rate of 7.4 percent. Forward-looking indicators suggest a slower pace of global activity for the second quarter of the year, however, as fiscal tightening in the U.S. and capacity constraints in many developing economies will moderate growth.

Over the past year, energy and metals prices have been decreasing in response to supply and demand-side substitution brought about by previously high prices. The high price environment caused higher priced technologies to be considered economically viable, and markets including the U.S. and Africa, increased their own production of natural gas and oil. Capital expenditures

by major firms in oil and metals markets quintupled since 2000, with most of the additional metal supply going to meet demand from China, whose consumption share of world refined metals exceeded 44 percent at the end of 2012. The substantial increase in supply has caused downward pressure on metals prices in recent years, however, with current prices 30 percent below their peak in February 2011. The World Bank projects that prices will continue to ease in the medium term, with oil prices anticipated to slowly decline between now and 2025 to a level consistent with the real cost of oil production from Canadian tar sands, one of the most abundant sources, and one of the most expensive to produce. Metals prices are expected to decline by 3.7 and 1.4 percent in 2013 and 2014, respectively, reflecting increased supply and a gradual reduction in the metals intensity of developing country growth, particularly in China.

Rapid growth in construction, mining and utilities sectors in developing countries accounted for approximately 30 percent of the expansion in industrial production over the 2000 to 2010 time period, with China alone accounting for over half the contribution. An expected slowdown in investment in China over the coming years will cause industrial production growth to decrease if it is not supplemented by stronger growth in major emerging economies with infrastructure gaps such as India and Brazil. Growth in the industrial sector, and especially manufacturing, will stand to gain from a shift in demand toward developing economies, and output in industries sensitive to transportation costs can be expected to increase in locations near developing economies.

Overall, data so far this year point to a global economy that is getting back on its feet, but the recovery remains hesitant and uneven. Forward-looking indicators have strengthened over the past six months, only to weaken again recently. As post-crisis risks to the high-income world have declined, a new set of uncertainties emerge including challenges that withdrawal of quantitative easing will present to developing countries, and the potential impact of downward pressure on commodity prices.

Appendix D

National Economic Conditions[2]

After a nearly flat growth rate of 0.4 percent during the fourth quarter of 2012, U.S. economic growth picked up speed during the first quarter of 2013, but not by as much as expected. Overall, the U.S. Commerce Department reported on May 30, first-quarter growth was 2.4 percent, below economists' originally forecast rate of 3.0 percent. The 2.4 percent rate had been revised downward from the 2.5 percent reading released on April 26. Then, on June 26, the growth rate was revised downward again to a final figure of just 1.8 percent, held back by moderate consumer spending, weak business investment, and declining exports.

The U.S. Labor Department reported on July 5 that the number of people who held jobs in June rose for the tenth straight month, with 195,000 new positions having been added. Economists had expected an increase of only 165,000 new jobs. The Department also raised job-growth estimates for the previous two months: April's new-jobs rate climbed by 50,000 to 199,000 and May's count jumped by 20,000 to 195,000. Many of the increases, however, were concentrated in lower-paying professions. For instance, the majority of June's gains—75,000—came in the hospitality industry of bartenders and waiters, while higher-paying manufacturing jobs posted a decline of 6,000 for the month. At the same time, after having fallen from 7.9 percent in January to 7.5 percent in April, the U.S. unemployment rate ticked back up to 7.6 percent in May, where it remained in June.

On October 1, the Treasury Department announced that the Federal deficit for fiscal 2012, which ended on September 30, had reached $1.276 trillion—the fourth trillion-dollar deficit in a row. However, the U.S. Congressional Budget Office projected on February 5 that the deficit for Fiscal Year 2013 actually would drop to $845 billion—the first time during the Obama presidency that the annual red ink would fall below $1 trillion. The U.S. Senate, on a 50 to 49 vote, approved its first budget in four years—a $3.7 trillion measure for Fiscal Year 2014 that, accordingly to a March 23 report in The New York Times, "would fast-track passage of tax increases, trim spending gingerly, and leave the government still deeply in debt a decade from

[2] KeyValue Data National Economic Report, June 2013.

now." Specifically, the budget would increase spending by 62 percent and add nearly $1 trillion in new taxes over 10 years.

The U.S. Department of the Treasury reported on September 4 that total public outstanding debt in the United States had climbed to $16.02 trillion—the first time in U.S. history that the public debt had breached the $16 trillion level. By July 11, the debt stood at $16.75 trillion, slightly below May's level. The debt has risen by more than 56 percent, or nearly $6.4 trillion, since January 1, 2009. As of March 31, the U.S. debt/GDP ratio stood at 104.8 percent, up from 103 percent as of December 31, 2012.

After reaching record highs several times during the first quarter, the Dow closed out Q1 by logging its strongest quarter in 15 years. Similarly, the S&P 500 ended the quarter by piercing through levels last seen in 2007. Subsequently, by the first week of May, the Dow broke 15000—an all-time record—before falling for most of the second half of June. However, by July 11, both the Dow and the S&P had again reached all-time highs.

After contracting by a revised 0.4 percent in April, U.S. industrial production edged up by 0.1 percent in May for the first increase in three months, the Federal Reserve reported on June 14. After unexpectedly contracting in May following five straight months of gains, the U.S. manufacturing sector rebounded slightly in June, with the Institute for Supply Management index increasing from 49.0 to 50.9, according to a July 1 report from the Institute for Supply Management (ISM), a private trade group.

U.S. nonfarm productivity increased by 0.7 percent during the first quarter of 2013 after a sharp drop in the waning months of 2012, the U.S. Labor Department reported on May 2. Previously, productivity contracted at an annual rate of 2.0 percent during the October-December quarter, the biggest drop since the first quarter of 2011.

U.S. auto and truck sales rose in June to their highest level since the recession. Continuing demand for big pickups helped to boost sales for Detroit's automakers. Ford's sales climbed by 14 percent on the month, while Chrysler's jumped by 8 percent and General Motors' rose by 6.5

percent. Japanese automakers reported solid gains as well, with Nissan's sales climbing by 13 percent and Toyota's by 10 percent. Volkswagen's sales, however, dropped by 3.0 percent in June; the third straight monthly decline for the German automaker.

After jumping by 1.5 percent in March and by 2.3 percent in April, U.S. sales of new homes in May rose by 2.1 percent over April's level, climbing to a seasonally adjusted annual rate of 476,000, the U.S. Commerce Department reported on June 25. Likewise, after climbing in April to their highest level in more than three years, U.S. sales of existing homes rose again in May, jumping by 4.2 percent to a seasonally adjusted annual rate of 5.18 million units.

According to the Conference Board's Consumer Confidence Index, U.S. consumer confidence improved in June to its highest level in five years. The Bloomberg Consumer Comfort Index also hit a five-year high. However, the Thomson Reuters/University of Michigan Consumer Sentiment Index slipped in June after May's six-year high.

After falling in April for the first time in nearly a year, U.S. consumer spending rebounded in May, the U.S. Commerce Department reported on June 27. Overall, consumer spending—which had slipped by 0.2 percent in April—rose by 0.3 percent in May. Consumer spending represents about two-thirds of U.S. economic activity. On a seasonally adjusted basis, the U.S. Consumer Price Index (CPI) for all items increased by 0.1 percent in May after falling by 0.4 percent in April. The index for all items less food and energy rose by 0.2 percent in May after edging up by 0.1 percent in April.

After falling from $3.76 per gallon on March 4 to $3.54 per gallon by May 6, U.S. retail gasoline prices (regular unleaded) increased in June before falling back to $3.49 per gallon on July 8.

Appendix E

The Coke Industry[3]

Coke is a fuel and reducing agent used primarily in the smelting of iron ore in a blast furnace or foundry. The iron extracted from the ore is known as pig iron, or in its liquid form, hot metal, one of the main raw materials needed to make steel. Blast furnaces produce hot metal via a reducing atmosphere where oxygen is removed from iron ore, while cupolas produce iron via a melting process of cast iron scrap, pig iron and/or steel.

Although it can also be found naturally, in the form of petroleum coke, the most commonly used form of coke is manmade through distillation of low-ash, low-sulfur bituminous coal, referred to as "coking" or "metallurgical" coal. Manmade coke is created by heating particular formulations of coal in an airless furnace or coke oven at temperatures as high as 2,600 degrees Fahrenheit, causing volatile constituents such as water, coal gas and coal tar to be driven off, and fusing together the carbon and residual ash. Coke for blast furnaces is designed to support a higher burden in the furnace than in a traditional cupola, measured by the Coke Reactivity Index ("CRI") and Coke Strength after Reaction ("CSR") ratings, and takes approximately 18 hours in the oven to produce. Foundry coke is larger in size and made from a higher concentration blend of low volatility coals, cooked for approximately 28 hours, thus producing a pure product appropriate for melting and casting steel. This is the process by which certain automotive parts, including engine blocks, are currently manufactured. Higher quality coke results in more productive operations and commands a higher price. By-products of the coking process, including coke gas, are often used by plant operators to generate energy.

As noted previously, only four suppliers of foundry coke exist in the U.S., but many suppliers of blast furnace coke, including many steel manufacturers who have invested in the process for vertical integration, as well as foreign suppliers exist. Although U.S. import tariffs still exist, the removal of the 40 percent export tax on Chinese coke in January 2013 opened the door for additional supply in an already over-saturated market. In the long run, removal of the export tax has exerted downside pressure on benchmark price expectations, but concerns that China's

[3] Coke Market Reports published by Resource-Net, available by subscription and provided by the Company, as well as various publicly available news articles and websites.

competitive cost structure would give it an ability to undercut other players are partially eased by the fact that its own domestic demand has held prices above the current production cost floor.

Since lows during the financial crisis, coke prices have fluctuated significantly, as a strong recovery was followed by a continuous decline between mid-2011 and the end of 2012. Prices had increased in response to elevated demand due to record-high global hot metal production. More recently, excess capacity in the steel industry, among other factors has caused demand to deteriorate. Although world economic sentiment has been improving, the decline in commodity market prices has yet to be reversed, and market indicators continued to track downward in July. According to the CRU Metallurgical Coke Market Outlook, "A lethal combination of frail import demand, solid availability of low-cost Chinese export supply and a lowered production cost forecast points towards continued downside pressure for metallurgical coke prices until mid-2014."

Export prices for Chinese blast furnace coke decreased to $230-$240/ton fob in July, but coke producers in China are beginning to raise both domestic and export quotes. In the first half of the year, Chinese coke exports totaled 1.51 million tons, compared to1.0 million tons for all of 2012. Domestic prices of blast furnace coke have responded to increased supply via a decrease of $10/ton to around $210/ton. Foundry coke prices in Europe have decreased this quarter to $468-$506/ton. It has been reported that a quantity of foundry coke has been imported into Europe from China and it appears to be possible to source Chinese foundry coke for less than $400/ton fob.

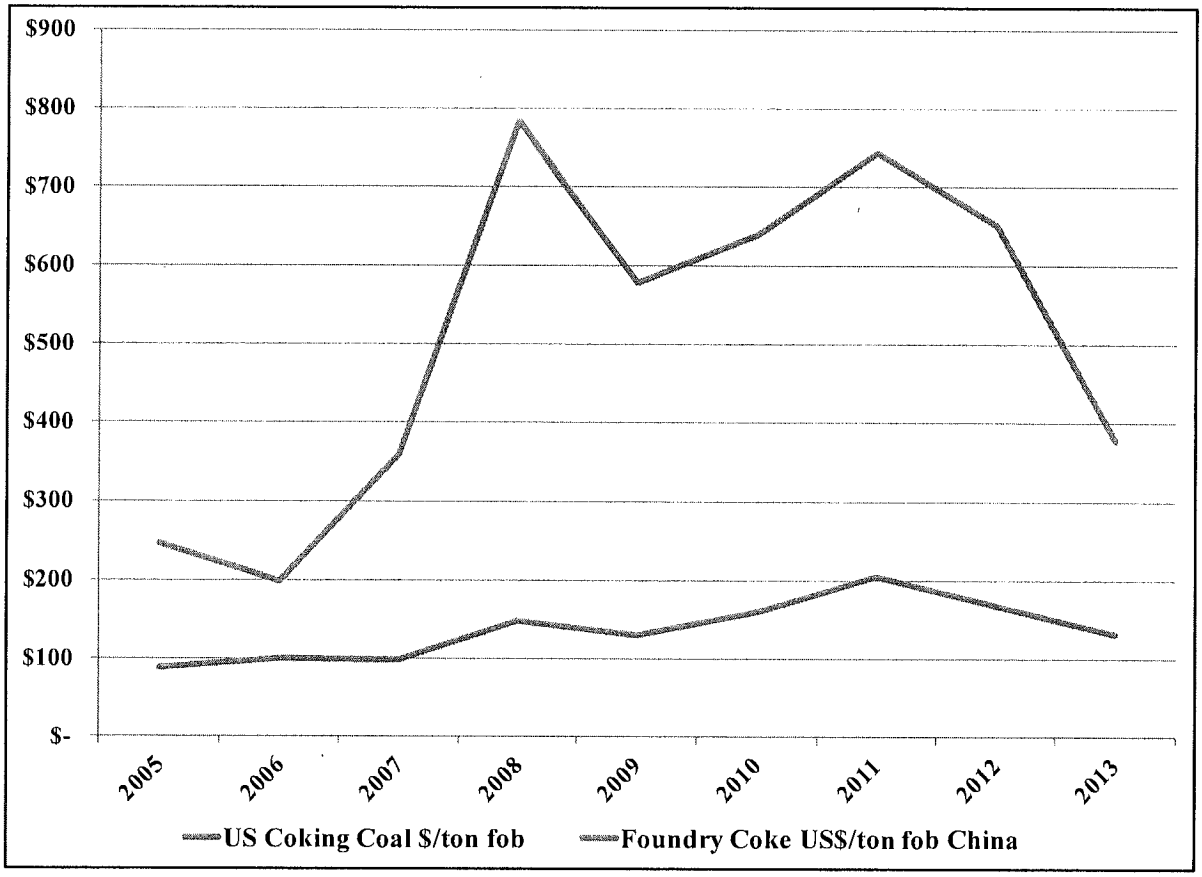
Hyundai Steel started heating up two additional coke batteries in South Korea in April and June of this year, which will increase its capacity from 3.2 to 4.8 million tons per year. One of India's largest private steelmakers also produced more coke in the 2012-2013 year than in the previous year, and its main steel plant Jamshedpur's capacity is being expanded by 1.54 million tons per year.

Coking coal, the primary raw material required for the production of coke, has become difficult to extract and thus, more expensive to mine. Currently, rising supply from Mongolia and South

Africa, in addition to a recovery in output from Australia, combined with the slowing Chinese economy and weaker demand for steel is putting downward pressure on prices. The future supply and demand balance for coking coal suggests that the current price will be the low point in the medium term, however. As steelmakers look to minimize raw materials costs, low natural gas prices could cause a push toward natural gas injection and reduce the overall demand for metallurgical coal in the longer term.

Chart 1 sets out a comparison of U.S. coking coal and foundry coke prices over the period 2005 to present.

Chart 1: U.S. Coking Coal and Foundry Coke Prices: 2005 - 2013[4]



[4] Monthly Coke Market Reports published by Resource-Net, provided by the Company.

Appendix F

The Steel Industry[5]

Despite a slight increase in demand for steel and the retirement of some older steelmaking operations in 2012, capacity utilization in the steel sector remains below 80 percent. The global percentage of excess capacity[6] is still greater than it was a year ago due to new steelmaking facilities continuing to be brought online, especially in developing countries. Growth in global demand for steel is unlikely to improve significantly in 2013, and sluggish demand combined with volatility in the cost of raw materials will challenge steelmakers to remain competitive and profitable in the near term. Continued closure of older, higher-cost steelmaking capacity in 2014 and 2015, combined with increased demand growth, should lead to improved profitability in the industry, but forecasts suggest that utilization will not exceed 80 percent until 2014, and then only reach 83 percent by 2015/2016.

Although India may be looking like the next steel powerhouse, China remains the largest market in the steel sector. Through a revised five-year plan, the Chinese government aims to address challenges including lower demand, overcapacity, a fragmented industry and weak profit margins through promoting the use of modern technology, energy efficiency and improved product quality in connection with a broader strategy to rebalance its economy and shift the focus from investment to consumption. In India, the rising middle class population, increased urbanization, increased rural demand, investment in road and railway expansion, and a refocus on manufacturing will grow the demand for steel. In response, India has invested in the infrastructure to become the fourth largest producer of crude steel and the largest producer of sponge iron in the world, but growth will be tempered by shortages of raw materials as well as continued challenges with infrastructure and logistics.

Reduced industrial production and investment in large-scale infrastructure have resulted in a decrease in demand for steel from both developed and developing markets. The debt crisis in the EU has weighed heavily on economic activity, and apparent steel usage decreased by 5.6 percent

[5] Global Steel 2013 – A new world, a new strategy published by Ernst & Young, as well as various publicly available news articles and websites.

[6] Lower capacity utilization is generally equated with higher excess capacity.

in 2012. Demand for steel is expected to improve only slightly in 2013, growing at 3.2 percent, compared to 2.1 percent in 2012. Moderate recovery is expected in 2014 – 2015, with demand growth reaching 3.5 percent.

Cost competitiveness will be one of the primary challenges for steel manufacturers in the near term. With continuing weak demand, cost reduction initiatives will be essential for sustainability and future growth. Many steelmakers will evaluate whether value exists in vertical integration as many have already integrated raw material (coal and iron ore) mines into their supply chains. Despite the benefits of controlling raw material costs, steelmakers should weigh this option carefully. It would seem that by owning the raw material inputs, overall margins could be controlled; however, in order to gain the most benefit from vertical integration and avoid eroding existing value, steel companies must have extensive knowledge in each step of the iron ore and metallurgical coal exploration, production and distribution process. Mining is a high risk, high return business, whereas metals manufacturing is moderate risk and moderate return. The combination of the two may create concerns regarding the allocation of risk.

Steelmakers will be challenged to find alternative ways to strategically reduce costs. One critical initiative for the industry as a whole will be capacity management through reduction of production volumes from loss making plants. Producers have retained excess capacity in hopes of a large increase in demand or government assistance given the will to defend against job losses. Though highly politicized, reduction of this capacity is necessary for the stabilization of the industry. In addition, plants should undertake active asset management and utilization such as reduction of facility maintenance in response to reduced capacity and restructuring of the labor force. The U.S. steel sector has undergone a massive restructuring and increased productivity to as little as one workhour per finished steel ton compared to over 10 workhours per finished ton in the 1980s. As economies in developing countries continue to improve, employment costs will increase and greater capital substitution will similarly take place.

The outlook for the steel industry is tepid. The oversupply is likely to persist as total steel output growth outpaces total steel consumption growth. Short-term upside in prices is unlikely, in light of the sluggish demand anticipated for 2013.

Appendix G

The Auto Industry[7]

The global automobile manufacturing industry generates annual revenues in excess of $2 trillion. After softening throughout the financial crisis, the industry has bounced back and moderate growth is anticipated in the next two years, driven by continued low interest rates and improving employment.

Leading countries for car manufacturing include Brazil, China, Germany, Japan, South Korea, and the U.S. The U.S. industry includes about 200 companies with combined annual revenue of about $220 billion and is highly concentrated, with the top five companies accounting for about 70 percent of sales. U.S.-based automakers compete with numerous foreign rivals, including companies such as Toyota, Honda, and Nissan that have extensive auto assembly operations in the U.S. Through stateside manufacturing capacities and exports to the U.S., foreign carmakers collectively have about half of the U.S. market.

According to a February 27 report on CNBC, "the typical new vehicle is now more expensive than ever, averaging $30,500 in 2012, according to TrueCar.com data, and heading up again as makers curb the incentives that helped make their products more affordable during the recession when they were desperate for sales." Further, the 2013 Car Affordability Study by Interest.com found that only in Washington, D.C., "could the typical household swing the payments..." Rising cost notwithstanding, U.S. consumers purchased new cars and trucks in June at a pace not seen since before the recession.

The profitability of individual companies depends on manufacturing efficiency, product quality, and effective marketing. Large companies have economies of scale in purchasing and marketing while smaller companies can compete by focusing on specialized markets. Market participants will be challenged with significant changes in the industry over the next decade brought about by globalization, technology development, regulations and a shift of focus to emerging markets.

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[7] FirstResearch industry report, KeyValue Data National Economic Report, June 2013, as well as various publicly available news articles and websites.

Exhibits

Tonawanda Coke Corporation
Comparative Historical Balance Sheet Data
Exhibit 1

For the Period Ended:	6/30/2004	%	6/30/2005	%	6/30/2006	%	6/30/2007	%	6/30/2008	%	6/30/2009	%	6/30/2010	%	6/30/2011	%	6/30/2012	%	6/30/2013	%
Current Assets																				
Cash and Cash Equivalents	$ 1,941	0.0	$ 1,977,768	6.8	$ 6,177	0.0	$ 221,723	0.7	$ 316,865	1.0	$ 2,742,242	8.1	$ 1,481,894	4.2	$ 2,136,334	5.5	$ 734,643	1.8	$ 4,616,655	12.6
Accounts Receivable, trade	4,184,088	21.6	3,088,053	10.6	3,464,586	11.4	4,095,522	13.6	6,212,780	20.3	3,354,402	9.9	4,110,798	11.5	3,957,249	10.3	4,123,112	9.9	3,564,218	9.7
Accounts Receivable, affiliate	1,397,456	7.2	4,021,221	13.8	374,316	1.3	55,346	0.2	316,652	1.0	252,270	0.7	316,925	0.9	2,147,629	5.6	220,984	0.5	38,675	0.1
Inventories	3,709,006	19.2	8,043,769	27.6	12,450,261	41.6	13,350,603	44.2	8,088,197	26.4	11,047,559	31.6	11,256,804	31.6	10,771,241	27.9	17,368,787	41.8	10,780,503	29.3
Prepaid Expenses	691,064	3.6	464,947	1.6	705,405	2.4	640,410	2.1	2,389,678	7.8	1,916,829	5.5	1,798,310	5.1	1,008,043	2.6	700,578	1.7	812,912	2.2
Prepaid and Refundable Income Taxes	-	-	-	-	1,375,000	4.6	-	-	-	-	300,000	0.9	-	-	-	-	-	-	-	-
Deferred Income Tax	-	-	81,000	0.3	-	-	15,000	0.0	115,000	0.4	204,000	0.6	1,116,000	3.1	1,474,000	3.8	1,445,000	3.5	1,437,000	3.9
Total Current Assets	$ 9,983,555	51.6	$ 17,676,758	60.7	$ 18,315,745	61.2	$ 18,378,604	60.9	$ 17,439,172	56.9	$ 19,817,302	58.5	$ 20,060,731	56.3	$ 21,494,496	55.7	$ 24,593,104	59.2	$ 21,249,963	57.8
Deferred Financing Costs, net	$ 61,785	0.3	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-
Deferred Income Tax	-	-	-	-	-	-	-	-	100,000	0.3	-	-	50,000	0.1	-	-	-	-	-	-
Fixed Assets																				
Land and Land Improvements	$ 623,942	3.2	$ 650,082	2.2	$ 839,119	2.8	$ 894,492	3.0	$ 918,292	3.0	$ 1,206,717	3.6	$ 1,206,717	3.4	$ 2,101,067	5.4	$ 2,136,952	5.1	$ 2,156,752	5.9
Buildings, Ovens and Improvements	4,237,055	21.9	5,246,526	18.0	5,447,013	18.2	5,625,432	18.6	5,858,955	19.1	5,937,675	17.5	5,967,608	16.8	6,457,290	16.7	6,457,290	15.5	6,507,882	17.7
Machinery and Equipment	23,021,389	118.9	25,502,410	87.6	26,346,772	88.0	26,911,209	89.2	28,277,118	92.3	29,182,283	86.2	30,417,267	85.4	31,432,532	81.4	33,658,755	80.9	34,304,083	93.3
Construction in Progress	1,453,373	7.4	955,024	3.2	812,393	2.7	1,119,574	3.7	1,788,171	5.8	2,492,633	7.4	3,755,543	10.5	4,173,960	10.8	3,097,205	7.5	2,207,760	6.0
Less: Accumulated Depreciation	(20,000,450)	(103.3)	(20,899,940)	(71.8)	(21,837,405)	(75.0)	(22,747,541)	(75.4)	(23,725,545)	(77.4)	(24,776,483)	(73.2)	(25,853,620)	(72.6)	(27,053,855)	(70.1)	(28,364,439)	(68.3)	(29,642,937)	(80.6)
Net Property, Plant and Equipment	$ 9,315,309	48.1	$ 11,454,102	39.3	$ 11,607,892	38.8	$ 11,803,366	39.1	$ 13,116,991	42.8	$ 14,042,825	41.5	$ 15,493,515	43.5	$ 17,110,994	44.3	$ 16,965,763	40.8	$ 15,533,540	42.2
Total Assets	$ 19,360,649	100.0	$ 29,110,860	100.0	$ 29,923,637	100.0	$ 30,181,970	100.0	$ 30,656,163	100.0	$ 33,860,127	100.0	$ 35,604,246	100.0	$ 38,605,490	100.0	$ 41,558,867	100.0	$ 36,783,503	100.0
Liabilities and Equity																				
Current Liabilities																				
Note Payable, Bank	$ 3,161,883	16.3	$ 159,116	0.5	$ 3,821,582	12.8	$ 1,612,000	5.3	$ 396,000	1.3	$ 1,434,000	4.2	$ -	-	$ -	-	$ -	-	$ -	-
Current Portion of Long-term Debt	-	-	229,000	0.8	250,000	0.8	4,326,814	14.3	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable, trade	2,473,498	12.8	4,347,691	14.9	4,629,337	15.5	514,195	1.7	3,372,645	11.0	2,453,156	7.2	5,157,047	14.5	5,819,427	15.1	3,247,669	7.8	2,302,794	6.3
Accrued Interest and Other Expenses	153,971	0.8	327,182	1.1	258,907	0.9	1,657,375	5.5	574,390	1.9	855,775	2.5	3,389,201	9.5	4,189,545	10.9	4,194,692	10.1	2,193,545	6.0
Income Taxes Payable	46,208	0.2	246,450	0.8	78,296	0.3	-	-	538,608	1.8	223,420	0.7	503,402	1.4	632,326	1.6	1,293,556	3.1	414,408	1.1
Deferred Income Tax	-	-	-	-	36,000	0.1	250,000	0.8	250,000	0.8	145,833	0.4	-	-	-	-	-	-	-	-
Total Current Liabilities	$ 5,835,560	30.1	$ 5,309,439	18.2	$ 9,074,122	30.3	$ 8,560,384	27.7	$ 5,131,643	16.7	$ 5,112,184	15.1	$ 9,049,650	25.4	$ 10,641,298	27.6	$ 8,735,917	21.0	$ 4,910,747	13.4
Long-term Liabilities																				
Long-term Debt	$ 6,281,129	32.4	$ 6,940,241	23.8	$ 6,801,962	22.7	$ 270,833	0.9	$ 20,833	0.1	$ 322,917	1.0	$ -	-	$ -	-	$ -	-	$ -	-
Deferred Income Tax	-	-	2,054,000	7.1	865,000	2.9	896,000	3.0	-	-	241,000	0.7	-	-	1,053,000	2.7	2,425,000	5.8	2,816,000	7.7
Total Long-term Liabilities	$ 6,281,129	32.4	$ 8,994,241	30.9	$ 7,666,962	25.6	$ 1,166,833	3.9	$ 20,833	0.1	$ 563,917	1.7	$ -	-	$ 1,053,000	2.7	$ 2,425,000	5.8	$ 2,816,000	7.7
Total Liabilities	$ 12,116,689	62.6	$ 14,303,680	49.1	$ 16,741,084	55.9	$ 9,527,217	31.6	$ 5,152,476	16.8	$ 5,676,101	16.8	$ 9,049,650	25.4	$ 11,694,298	30.3	$ 11,158,917	26.9	$ 7,726,747	21.0
Shareholders' Equity																				
Capital Stock	62,500	0.3	62,500	0.2	62,500	0.2	62,500	0.2	62,500	0.2	62,500	0.2	62,500	0.2	62,500	0.2	62,500	0.2	62,500	0.2
Retained Earnings	7,181,460	37.1	14,744,680	50.7	13,120,053	43.8	20,592,253	68.2	25,441,187	83.0	28,121,526	83.1	26,492,096	74.4	26,848,692	69.5	30,337,450	73.0	28,994,256	78.8
Total Shareholders' Equity	$ 7,243,960	37.4	$ 14,807,180	50.9	$ 13,182,553	44.1	$ 20,654,753	68.4	$ 25,503,687	83.2	$ 28,184,026	83.2	$ 26,554,596	74.6	$ 26,911,192	69.7	$ 30,399,950	73.1	$ 29,056,756	79.0
Total Liabilities & Equity	$ 19,360,649	100.0	$ 29,110,860	100.0	$ 29,923,637	100.0	$ 30,181,970	100.0	$ 30,656,163	100.0	$ 33,860,127	100.0	$ 35,604,246	100.0	$ 38,605,490	100.0	$ 41,558,867	100.0	$ 36,783,503	100.0
Working Capital, as reported	$ 4,147,995	21.4	$ 12,367,319	42.5	$ 9,241,623	30.9	$ 10,018,220	33.2	$ 12,307,529	40.1	$ 14,705,118	43.4	$ 11,011,081	30.9	$ 10,853,198	28.1	$ 15,857,187	38.2	$ 16,339,216	44.4
Debt-Free Working Capital	7,309,878	37.8	12,755,435	43.8	13,313,205	44.5	15,957,034	52.9	12,703,529	41.4	16,139,118	47.7	11,011,081	30.9	10,853,198	28.1	15,857,187	38.2	16,339,216	44.4
Sales / Debt Free Working Capital (x)	5.3		4.4		4.1		3.5		6.3		4.6		4.7		6.0		4.3		3.4	
Debt Free Working Capital / Sales	19.0%		22.7%		24.6%		30.0%		15.9%		21.7%		21.1%		16.6%		23.3%		29.8%	
Current Ratio (x)	1.7		3.3		2.0		2.2		3.4		3.9		2.2		2.0		2.8		4.3	
Interest-Bearing Debt / Equity (x)	1.5		0.5		0.8		0.3		0.0		0.1		-		-		-		-	
Long-Term Debt / Equity (x)	0.9		0.5		0.5		0.0		0.0		0.0		-		-		-		-	
Total Liabilities / Equity	167.3%		96.6%		127.0%		46.1%		20.2%		20.1%		34.1%		43.5%		36.7%		26.6%	

Tonawanda Coke Corporation
Comparative Projected Balance Sheet Data
Exhibit 2

For the Period Ended:		6/30/2014	%	6/30/2015	%
Current Assets					
Cash and Cash Equivalents		$ 9,299,000	*23.8*	$ 6,681,000	*16.1*
Accounts Receivable, trade		2,970,000	*7.6*	2,755,000	*6.6*
Accounts Receivable, affiliate		39,000	*0.1*	39,000	*0.1*
Inventories		8,064,000	*20.6*	12,412,000	*29.9*
Prepaid Expenses		1,266,000	*3.2*	1,568,000	*3.8*
Prepaid and Refundable Income Taxes		-	-	-	-
Deferred Income Tax		1,428,000	*3.6*	1,417,000	*3.4*
Total Current Assets		$ 23,066,000	*58.9*	$ 24,872,000	*60.0*
Deferred Financing Costs, net		$ -	-	$ -	-
Deferred Income Tax		-	-	-	-
Fixed Assets		$ 47,329,000	*120.9*	$ 49,329,000	*119.0*
Less: Accumulated Depreciation		(31,244,000)	*(79.8)*	(32,744,000)	*(79.0)*
Net Property, Plant and Equipment		$ 16,085,000	*41.1*	$ 16,585,000	*40.0*
Total Assets		**$ 39,151,000**	***100.0***	**$ 41,457,000**	***100.0***
Liabilities and Equity					
Current Liabilities					
Note Payable, Bank		$ -	-	$ -	-
Current Portion of Long-term Debt		-	-	-	-
Accounts Payable, trade		2,340,000	*6.0*	2,566,000	*6.2*
Accrued Interest and Other Expenses		2,500,000	*6.4*	2,500,000	*6.0*
Income Taxes Payable		378,000	*1.0*	354,000	*0.9*
Deferred Income Tax		-	-	-	-
Total Current Liabilities		$ 5,218,000	*13.3*	$ 5,420,000	*13.1*
Long-term Liabilities					
Long-term Debt		$ -	-	$ -	-
Deferred Income Tax		3,340,000	*8.5*	3,875,000	*9.3*
Total Long-term Liabilities		$ 3,340,000	*8.5*	$ 3,875,000	*9.3*
Total Liabilities		**$ 8,558,000**	***21.9***	**$ 9,295,000**	***22.4***
Total Shareholders' Equity	(1)	$ 30,593,000	*78.1*	$ 32,162,000	*77.6*
Total Liabilities & Equity		**$ 39,151,000**	***100.0***	**$ 41,457,000**	***100.0***
Working Capital, as reported		$ 17,848,000	*45.6*	$ 19,452,000	*46.9*
Debt-Free Working Capital		17,848,000	*45.6*	19,452,000	*46.9*
Sales / Debt Free Working Capital (x)		2.8		2.4	
Debt Free Working Capital / Sales		35.5%		41.2%	
Current Ratio (x)		4.4		4.6	
Interest-Bearing Debt / Equity (x)		-		-	
Long-Term Debt / Equity (x)		-		-	
Total Liabilities / Equity		28.0%		28.9%	

(1) Adjusted to cause liabilities and equity to equate to total assets.

Tonawanda Coke Corporation
Comparative Historical Income Statement Data
Exhibit 3

For the year ended:	6/30/2004	%	6/30/2005	%	6/30/2006	%	6/30/2007	%	6/30/2008	%	6/30/2009	%	6/30/2010	%	6/30/2011	%	6/30/2012	%	6/30/2013	%
Revenues	$ 38,382,101	100.0	$ 56,262,135	100.0	$ 54,097,039	100.0	$ 53,109,688	100.0	$ 79,805,165	100.0	$ 74,452,682	100.0	$ 52,190,108	100.0	$ 65,569,120	100.0	$ 67,936,439	100.0	$ 54,754,467	100.0
Total Cost of Sales	33,701,492	87.8	42,647,384	75.8	43,468,736	80.4	46,360,671	87.3	62,541,331	78.4	50,852,734	68.3	40,551,190	77.7	51,438,228	78.4	56,228,622	82.8	47,317,036	86.4
Gross Profit	$ 4,680,609	12.2	$ 13,614,751	24.2	$ 10,628,303	19.6	$ 6,748,017	12.7	$ 17,263,834	21.6	$ 23,599,948	31.7	$ 11,638,918	22.3	$ 14,130,892	21.6	$ 11,707,817	17.2	$ 7,437,431	13.6
Total Operating Expenses	$ 2,642,116	6.9	$ 3,529,870	6.3	$ 3,403,244	6.3	$ 3,280,485	6.2	$ 4,167,511	5.2	$ 4,469,628	6.0	$ 9,544,676	18.3	$ 7,866,548	12.0	$ 5,265,793	7.8	$ 5,564,962	10.2
Operating Income (Loss)	$ 2,038,493	5.3	$ 10,084,881	17.9	$ 7,225,059	13.4	$ 3,467,532	6.5	$ 13,096,323	16.4	$ 19,130,320	25.7	$ 2,094,242	4.0	$ 6,264,344	9.6	$ 6,442,024	9.5	$ 1,872,469	3.4
Other Expense (Income)																				
Interest Expense	$ 239,665	0.6	$ 178,661	0.3	$ 249,686	0.5	$ 321,461	0.6	$ 128,389	0.2	$ 86,981	0.1	$ 53,672	0.1	$ 27,748	0.0	$ 24,266	0.0	$ 26,663	0.0
Gain on Extinguishment of Debt	-	-	-	-	-	-	(4,993,129)	(9.4)	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Expense (Income)	$ 239,665	0.6	$ 178,661	0.3	$ 249,686	0.5	$ (4,671,668)	(8.8)	$ 128,389	0.2	$ 86,981	0.1	$ 53,672	0.1	$ 27,748	0.0	$ 24,266	0.0	$ 26,663	0.0
Income Before Income Taxes	$ 1,798,828	4.7	$ 9,906,220	17.6	$ 6,975,373	12.9	$ 8,139,200	15.3	$ 12,967,934	16.2	$ 19,043,339	25.6	$ 2,040,570	3.9	$ 6,236,596	9.5	$ 6,417,758	9.4	$ 1,845,806	3.4
Provision for Income Taxes	$ 4,000	0.0	$ 2,343,000	4.2	$ (400,000)	(0.7)	$ 667,000	1.3	$ 1,369,000	1.7	$ 3,863,000	5.2	$ (330,000)	(0.6)	$ 1,880,000	2.9	$ 2,429,000	3.6	$ 689,000	1.3
Net Income	$ 1,794,828	4.7	$ 7,563,220	13.4	$ 7,375,373	13.6	$ 7,472,200	14.1	$ 11,598,934	14.5	$ 15,180,339	20.4	$ 2,370,570	4.5	$ 4,356,596	6.6	$ 3,988,758	5.9	$ 1,156,806	2.1
EBIT	$ 2,038,493	5.3	$ 10,084,881	17.9	$ 7,225,059	13.4	$ 3,467,532	6.5	$ 13,096,323	16.4	$ 19,130,320	25.7	$ 2,094,242	4.0	$ 6,264,344	9.6	$ 6,442,024	9.5	$ 1,872,469	3.4
EBITDA	2,950,904	7.7	11,050,738	19.6	8,177,115	15.1	4,432,961	8.3	14,074,527	17.6	20,181,258	27.1	3,224,168	6.2	7,474,537	11.4	7,752,607	11.4	3,222,971	5.9
Adjustments:																				
Extra Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	3,400,000	6.5	1,700,000	2.6	-	-	-	-
Total Operating Income Adjustment	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ 3,400,000	6.5	$ 1,700,000	2.6	$ -	-	$ -	-
Adjusted EBIT	$ 2,038,493	5.3	$ 10,084,881	17.9	$ 7,225,059	13.4	$ 3,467,532	6.5	$ 13,096,323	16.4	$ 19,130,320	25.7	$ 5,494,242	10.5	$ 7,964,344	12.1	$ 6,442,024	9.5	$ 1,872,469	3.4
Adjusted EBITDA	2,950,904	7.7	11,050,738	19.6	8,177,115	15.1	4,432,961	8.3	14,074,527	17.6	20,181,258	27.1	6,624,168	12.7	9,174,537	14.0	7,752,607	11.4	3,222,971	5.9
Determination of Cash Flow																				
Net Income	$ 1,794,828	4.7	$ 7,563,220	13.4	$ 7,375,373	13.6	$ 7,472,200	14.1	$ 11,598,934	14.5	$ 15,180,339	20.4	$ 2,370,570	4.5	$ 4,356,596	6.6	$ 3,988,758	5.9	$ 1,156,806	2.1
Depreciation & Amortization Expense	912,411	2.4	965,857	1.7	952,056	1.8	965,429	1.8	978,204	1.2	1,050,938	1.4	1,129,926	2.2	1,210,193	1.8	1,310,583	1.9	1,350,502	2.5
Proceeds from Disposition of PPE	26,900	0.1	-	-	41,500	0.1	-	-	-	-	-	-	-	-	-	-	1,009,641	1.5	1,532,976	2.8
Capital Expenditures	(1,071,760)	(2.8)	(3,026,614)	(5.4)	(1,171,004)	(2.2)	(1,170,609)	(2.2)	(2,292,438)	(2.9)	(1,976,772)	(2.7)	(2,595,558)	(5.0)	(2,827,641)	(4.3)	(2,182,309)	(3.2)	(1,446,160)	
Debt Activity, net	286,170	0.7	(2,114,655)	(3.8)	3,545,187	6.6	(2,459,582)	(4.6)	(1,466,000)	(1.8)	1,235,917	1.7	(1,902,750)	(3.6)	-	-	-	-	-	-
Net Cash Flow	$ 1,948,549	5.1	$ 3,387,808	6.0	$ 10,743,112	19.9	$ 4,807,438	9.1	$ 8,818,700	11.1	$ 15,490,422	20.8	$ (995,592)	(1.9)	$ 2,739,148	4.2	$ 4,126,673	6.1	$ 4,040,284	7.4
Add: Operating Income Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	3,400,000	6.5	1,700,000	2.6	-	-	-	-
Less: Non-recurring Cash Flow Items	(26,900)	(0.1)	-	-	(41,500)	(0.1)	-	-	-	-	-	-	-	-	-	-	(1,009,641)	(1.5)	(1,532,976)	(2.8)
Adjusted Cash Flow	$ 1,921,649	5.0	$ 3,387,808	6.0	$ 10,701,612	19.8	$ 4,807,438	9.1	$ 8,818,700	11.1	$ 15,490,422	20.8	$ 2,404,408	4.6	$ 4,439,148	6.8	$ 3,117,032	4.6	$ 2,507,308	4.6
Return on Assets (ROA)	9.3%		34.0%		23.3%		27.0%		42.3%		56.2%		5.7%		16.2%		15.4%		5.0%	
Return on Equity (ROE)	24.8%		66.9%		52.9%		59.4%		50.8%		67.6%		7.7%		23.2%		21.1%		6.4%	
Return on Invested Capital (ROI)	10.8%		44.8%		29.0%		30.3%		50.0%		63.6%		7.7%		23.2%		21.1%		6.4%	

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Tonawanda Coke Corporation
Comparative Projected Income Statement Data
Exhibit 4

For the year ended:		6/30/2014	%		6/30/2015	%
Revenues	$	**50,243,000**	***100.0***	$	**47,236,000**	***100.0***
		-8.2%			-6.0%	
Total Cost of Sales		41,866,000	*83.3*		38,697,000	*81.9*
Gross Profit	$	**8,377,000**	*16.7*	$	**8,539,000**	*18.1*
Total Operating Expenses	$	6,164,000	*12.3*	$	5,986,000	*12.7*
Operating Income (Loss)	$	**2,213,000**	**4.4**	$	**2,553,000**	**5.4**
Other Expense (Income)						
Interest Expense	$	36,000	*0.1*	$	48,000	*0.1*
Gain on Extinguishment of Debt		-	-		-	-
Total Other Expense (Income)	$	**36,000**	*0.1*	$	**48,000**	*0.1*
Income Before Income Taxes	$	**2,177,000**	***4.3***	$	**2,505,000**	***5.3***
Provision for Income Taxes	$	**813,000**	*1.6*	$	**936,000**	*2.0*
Net Income	$	**1,364,000**	*2.7*	$	**1,569,000**	*3.3*
EBIT	$	**2,213,000**	***4.4***	$	**2,553,000**	***5.4***
EBITDA		**3,713,000**	***7.4***		**4,053,000**	***8.6***
Cash Flow Adjustments						
Depreciation and Amortization		1,500,000	*3.0*		1,500,000	*3.2*
Proceeds from Disposition of PPE		-	-		-	-
Capital Expenditures		(2,000,000)	*(4.0)*		(2,000,000)	*(4.2)*
Debt Activity, net		-	-		-	-
Net Cash Flow		**864,000**	***1.7***		**1,069,000**	***2.3***
Supplemental Disclosures						
Interest Expense	$	36,000	*0.1*	$	48,000	*0.1*
Depreciation & Amortization Expense		1,500,000	*3.0*		1,500,000	*3.2*
Return on Assets (ROA)		*5.6%*			*6.0%*	
Return on Equity (ROE)		*7.1%*			*7.8%*	
Return on Invested Capital (ROI)		*7.1%*			*7.8%*	

Tonawanda Coke Corporation
Financial Ratio Analysis
Exhibit 5

		Subject Financial Ratios												Iron and Steel Mills and Ferroalloy Manufacturing
		6/30/2004	6/30/2005	6/30/2006	6/30/2007	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013	Average	Foundries	
Balance Sheet														
Total Assets		$ 19,360,649	$ 29,110,860	$ 29,923,637	$ 30,181,970	$ 30,656,163	$ 33,860,127	$ 35,604,246	$ 38,605,490	$ 41,558,867	$ 36,783,503	$ 32,564,551	$ 7,444,937	$ 26,301,385
As a % of Total Assets														
Cash & Cash Equivalents		0.0	6.8	0.0	0.7	1.0	8.1	4.2	5.5	1.8	12.6	4.1	9.4	9.9
Current Assets		51.6	60.7	61.2	60.9	56.9	58.5	56.3	55.7	59.2	57.8	57.9	54.7	62.2
Net Fixed Assets		48.1	39.3	38.8	39.1	42.8	41.5	43.5	44.3	40.8	42.2	42.0	30.1	24.4
Short-term Debt		16.3	1.3	13.6	19.7	1.3	4.2	-	-	-	-	5.6	5.9	4.5
Total Current Liabilities		30.1	18.2	30.3	27.7	16.7	15.1	25.4	27.6	21.0	13.4	22.6	22.5	24.2
Total Liabilities		62.6	49.1	55.9	31.6	16.8	16.8	25.4	30.3	26.9	21.0	33.6	47.7	47.6
Total Stockholders' Equity		37.4	50.9	44.1	68.4	83.2	83.2	74.6	69.7	73.1	79.0	66.4	52.3	52.4
Working Capital, as reported		21.4	42.5	30.9	33.2	40.1	43.4	30.9	28.1	38.2	44.4	35.3	32.1	38.0
Debt-Free Working Capital		37.8	43.8	44.5	52.9	41.4	47.7	30.9	28.1	38.2	44.4	41.0	38.0	42.6
Debt-Free Working Capital / Sales		19.0	22.7	24.6	30.0	15.9	21.7	21.1	16.6	23.3	29.8	22.5	22.2	25.3
Income Statement														
Net Revenue		$ 38,382,101	$ 56,262,135	$ 54,097,039	$ 53,108,688	$ 79,805,165	$ 74,452,682	$ 52,190,108	$ 65,569,120	$ 67,936,439	$ 54,754,467	$ 59,655,794	$ 12,754,323	$ 44,265,522
As a % of Net Sales														
Gross Profit		12.2	24.2	19.6	12.7	21.6	31.7	22.3	21.6	17.2	13.6	19.7	26.0	21.4
Operating Expenses	(1)	6.9	6.3	6.3	6.2	5.2	6.0	11.8	9.4	7.8	10.2	7.6	20.9	15.0
Operating Profit	(2)	5.3	17.9	13.4	6.5	16.4	25.7	10.5	12.1	9.5	3.4	12.1	5.1	6.5
Pre-tax Net Income	(2)	4.7	17.6	12.9	15.3	16.2	25.6	10.4	12.1	9.4	3.4	12.8	5.7	6.9
EBIT	(2)	5.3	17.9	13.4	6.5	16.4	25.7	10.5	12.1	9.5	3.4	12.1	5.1	6.5
EBITDA	(2)	7.7	19.6	15.1	8.3	17.6	27.1	12.7	14.0	11.4	5.9	14.0	8.2	9.0
Depreciation & Amortization Expense		2.4	1.7	1.8	1.8	1.2	1.4	2.2	1.8	1.9	2.5	1.9	3.1	2.5
Liquidity (x)														
Current Ratio		1.7	3.3	2.0	2.2	3.4	3.9	2.2	2.0	2.8	4.3	2.8	2.4	2.6
Leverage (x)														
Total Liabilities / Equity		1.7	1.0	1.3	0.5	0.2	0.2	0.3	0.4	0.4	0.3	0.6	0.9	0.9
Operating Efficiency (x)														
Revenue / Total Assets		2.0	1.9	1.8	1.8	2.6	2.2	1.5	1.7	1.6	1.5	1.9	1.7	1.7
Revenue / Net Fixed Assets		4.1	4.9	4.7	4.5	6.1	5.3	3.4	3.8	4.0	3.5	4.4	5.7	6.9
Profitability (%)														
Return on Assets		9.3	34.0	23.3	27.0	42.3	56.2	15.3	20.6	15.4	5.0	24.8	9.8	11.7
Return on Equity		24.8	66.9	52.9	39.4	50.8	67.6	20.5	29.5	21.1	6.4	38.0	18.7	22.3

(1) We have adjusted the Company's operating expenses to eliminate the effect of non-recurring expenses
(2) Adjusted for non-recurring expenses

Tonawanda Coke Corporation
Market Indicator - Guideline Company Multiples ($000s)
Exhibit 6

Company Name	Ticker	(1) Stock Price (6/30/13)	Shares Outstanding	Market Value	Total Debt	Total Capital	Debt / Equity	Operating Results (2) Revenue	EBITDA	EBITDA Margin	EBIT	EBIT Margin	Multiples Revenue	EBITDA	EBIT
Suncoke Energy, Inc.	SXC	15.98	70,001	1,118,617	649,000	1,767,617	58.02%	1,829,500	239,600	13.10%	150,100	8.20%	0.61	4.67	7.45
Tonawanda Coke Corporation								$ 54,754	3,223	5.89%	$ 1,872	3.42%	$ 33,400	$ 15,051	$ 13,946

(1) Obtained from Yahoo! Finance as of August 2, 2013.
(2) For the most recent twelve month period for which financial statements were available.